HOUSE OF COMMONS DEBATES

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HOUSE OF COMMONS

Thursday, March 12, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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INTERPARLIAMENTARY DELEGATION

10TH REPORT OF CANADIAN NATO PARLIAMENTARY ASSOCIATION

Mr. Bob Hicks (Scarborough East): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House the 10th report, in both official languages, of the Canadian NATO Parliamentary Association.

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WAR VETERANS ALLOWANCE ACT

MEASURE TO AMEND

Mr. Ronald J. Duhamel (St. Boniface) moved for leave to introduce Bill C-338, an act to amend the War Veterans Allowance Act (retroactive payments).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Duhamel: Mr. Speaker, I rise today to introduce a private member's bill entitled an act to amend the War Veterans Allowance Act on retroactive payments.

The intent of the bill is very simple. The bill intends to allow for retroactivity in the area of widows' pensions. The present legislation does not allow for any retroactive claims.

I have proposed that the legislation be modified so that it would be possible to apply for the widows' allowance and receive payments retroactively from the date the claim is filed, not exceeding the death of the veteran. Too often it is the case that, through no fault of their own, these people have not received a pension to which they are entitled. I know of one gentleman who at age 81 found out that he could have received a supplementary allowance, but it was only retroactive in that case 14 months. In this case there is no retroactivity.

• (1010)

I intend to bring forth other similar bills in the very near future. My basic principle is that if government can collect the money it is owed by Canadians—and I believe that should be so—in turn Canadians, the people, should be able to collect the money their government owes them.

The Acting Speaker (Mr. DeBlois): Mr. Duhamel moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

PETITIONS

CRIMES OF VIOLENCE

Mr. Stan Keyes (Hamilton West): Mr. Speaker, pursuant to Standing Order 36, I have the honour, duty and privilege to present to this House a petition certified correct by the clerk of petitions.

It is signed by residents who live in and around the Hamilton area: Beamsville, Ancaster and Hamilton.

These petitioners join a growing list of literally hundreds of thousands of petitioners. They request that Parliament recognizes that crimes of violence against the person are serious and abhorrent to society.

The petitioners ask that we amend the Criminal Code of Canada, the Bail Reform Act, 1972, and the Parole Act accordingly.

RURAL COMMUNITIES

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I have two sets of petitions to present here today.

The first is from the communities of Semans and Carrot River in the extreme corners of my riding. The petitioners note that recent actions of the government have been a direct attack on rural communities.

They call upon Parliament to support Canada's rural way of life, particularly to support the maintenance of rural post offices and postal services, and to reject the Conservative agenda of cutbacks and closures.

ROYAL CANADIAN MOUNTED POLICE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, from the Choiceland, Melfort, Gronlid area, I have a petition noting that property taxes are escalating for health care, education, infrastructure replacement, social and leisure services as well as for protective services.

The petitioners call on the federal government to continue to bear at least a 30 per cent interest in maintaining the safety and security of Canadian citizens through the Royal Canadian Mounted Police.

HOUSING

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have the honour to present two petitions this morning. One is with respect to housing.

These petitioners point out that constitutional proposals transfer housing to the provinces certainly not necessarily with compensation, including the responsibility for non-profit co-op housing. They point out that co-op housing provides thousands of Canadians with quality, affordable shelter.

These petitioners also point out that certain provinces may be unable to support non-profit co-op housing. They are really quite concerned about that. They want housing as a shared provincial-federal responsibility and they want the maintenance of the Canada Mortgage and Housing Corporation.

PENSIONS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my second petition is with respect to indexed pensions. It comes from the Public Service Alliance of Canada. They are the petitioners.

They point out—and I agree with them wholeheartedly—that indexed pensions are a need not just for a certain segment of the Canadian population but for all Canadians.

They also indicate—and again I am in agreement—that more and more Canadians will retire on fixed incomes unprotected in many instances against inflation. They believe as I do that linking benefits to the increases in the cost of living is really quite necessary.

They lament the fact that the government intends to restrict and remove full inflation protection for federal public servants. They believe, as I do and as I endorse, that the government should in fact be aiming to give everyone, all Canadians, pensions that are protected against the cost of inflation.

TAXATION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased, under the provisions of Standing Order 36, to present a petition today. It is a continuing voice from Canadians, in particular from the Ontario area; Oshawa, Whitby and other communities, calling on the government to ensure that it brings in real tax reforms so that we can have a fair tax system in Canada.

GOODS AND SERVICES TAX

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, pursuant to Standing Order 36, I have the honour and privilege to rise on behalf of thousands of constituents from my riding of Broadview—Greenwood. They continue to sign petitions asking me to request that the government reconsider its position on the GST and abolish it because the lack of consumer confidence in this country is probably the greatest contribution to the high unemployment and the number of lay-offs that have happened in our country in the last year.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I have a petition, certified correct under Standing Order 36, signed by a number of residents in my riding which states that whereas the goods and services tax as applied to female sanitary products such as

tampons and pads and whereas these products are necessities for women between puberty and menopause and whereas the government has decided that the goods and service tax should not apply to certain foods because they are necessities, wherefore the undersigned petitioners humbly pray and call upon Parliament to consider removing the goods and service tax from women's sanitary products.

* * *

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Question No. 100.

The Acting Speaker (Mr. DeBlois): Starred Question No. 100.

Mr. Cooper: Due to the length of this response, I ask that it be printed in Hansard as if read.

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

Some hon. members: Agreed.

[*Text*]

*Question No. 100—**Ms. Langan**

Since January 1, 1985, has the Prime Minister of Canada reimbursed the Government of Canada for the purchase of food consumed by himself, his family or guests and, if so, (a) on what dates did he remit the cheques (b) in what amount?

Mr. Leonard Gustafson (Parliamentary Secretary to Prime Minister): During the period from September 1, 1984 to April 30, 1991, the Prime Minister reimbursed a total amount of $55,115.00 for the purchase of food consumed by himself, his family or non-official guests at 24 Sussex.

Cheques covering this expense were remitted as follows:

Cheque Date	Amount	Period Covered
April 15, 1985	4,000.00	Sep / 84 - Mar / 85
September 16, 1985	4,000.00	Apr / 85 - Sep / 85
May 23, 1986	3,773.50	Oct / 85 - Mar / 86
November 27, 1986	3,204.00	Apr / 86 - Aug / 86
December 15, 1986	699.00	Apr / 86 - Aug / 86
October 7, 1987	3,960.00	Sep / 86 - Aug / 86
November 13, 1987	4,182.00	Apr / 87 - Aug / 87
June 17, 1988	4,138.00	Sep / 87 - Mar / 85

Cheque Date	Amount	Period Covered
October 20, 1988	4,287.50	Apr / 88 - Sep / 85
August 2, 1989	4,949.00	Oct / 88 - Apr / 85
May 31, 1990	4,398.00	May / 89 - Oct / 86
May 31, 1990	4,392.00	Nov / 89 - Apr / 86
November 1st, 1990	4,566.00	May / 90 - Oct / 86
June 19, 1991	4,566.00	Nov / 90 - Apr /86

Based on Statistics Canada data for average family expenditures on food for families with five or more members. 1984 data used as baseline. Subsequent years reflect increases in the food components of the CPI.

[*English*]

Mr. Cooper: I ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—FISHERIES

Hon. Roger C. Simmons (Burin—St. George's) moved:

That, in the opinion of this House, in order to prevent further ecological disaster through the pillaging of transboundary fish stocks off Canada's east coast, and in order to save an essential national industry and valued way of life for many rural citizens, Canada should take immediate steps to extend its functional jurisdiction to the nose and tail of the Grand Banks.

He said: Mr. Speaker, good morning, good morning to my friends from the west. They seem to be up for this important debate. I am not surprised because the motion is crystal clear. It is very simple.

First of all, it states what the problem is, as you, Mr. Speaker, so well read it a moment ago, and then it gets directly to the solution.

I want to draw the attention of my friends on the government side in particular, and the New Democratic Party, to the wording of the motion because it is not

designed to raise any hackles whatsoever, not designed to invite a partisan shouting match, though we are reasonably good at that if it has to be done, if it can make a point, but it is not designed for those purposes. Rather it is designed to seek some consensus on an issue that has been begging for consensus for too long.

First of all, this debate is about the survival of a people, my people, the people who live on the south coast of Newfoundland in communities like Lord's Cove and Rencontre and on the southwest coast in Grand Bruit and Fox Roost, on the northeast coast in Horewood and Aliston, Codroy and Highlands on the west coast, New Ferole up in the northwest coast, Port Hope Simpson in Labrador and yes, in the rural communities of Nova Scotia.

These people, or more correctly, their forebears came to those shores five centuries ago. From the counties of southwest England they came, from Cornwall and from Dorset and from County Tipperary and Limerick and Cork in Ireland and from Scotland and from Wales and from the Channel Islands and from France.

• (1020)

Some of them fled religious persecution. Others fled starvation. They all came because they saw an opportunity to build something better, to build a better life. They did not come empty handed. They came with their tools. They brought with them a language, be it English, French, Welsh, Scottish or Irish. They came with a value system that encompassed a deep awe for human worth, a genuine love of life itself, an uncanny knack for taking advantage of scarce opportunities. They came with a healthy respect for the forces of nature and they came with a stubbornly strong work ethic.

They brought something else. They brought a brand of raw courage, steeped in fatalism and bordering on the foolhardy. There is a Newfoundland folk song that some will be familiar with. It is entitled: *Let me fish off Cape St. Mary's*. In it there are a couple of lines that capsules that trait of raw courage I have just mentioned. The author had the fisherman riding the waves in the very rough ocean while he pursues his living. The lines are these: "When my dory fails to make it, let me be a man and take it".

These were the people and these are the tools they brought with them. Yes, they built and they built well. They built a better life and they built a cherished way of life which has served us well in Newfoundland and in Nova Scotia, served all of Canada well and indeed served the entire world. Because that race of people, while isolated geographically, was never insular.

They sent their best to the four corners of the earth. They sent Captain Bob Bartlett to the north pole with the American explorer Robert Perry. Bob Bartlett is from Brigus in Newfoundland. They sent Georgina Stirling from Twillingate to the concert halls of New York and Paris and Vienna. They sent others to the mission fields of three continents and still others to the faculties of great universities and to the boardrooms of the corporate world.

I ask, is that the recipe for turning out welfare bums? Is there in anything I have said so far any inkling that what we have been up to down there all those years is some mad scheme to produce and to create a generation of pogey people or conniving UI cheque snatchers.

That brings me to what is clearly the soul of this debate. An entire people has been brought to its knees, not through its own greed or its foolhardiness or its laziness or its immorality, but by the despicable actions of others and by the equally despicable lack of action of yet others.

This is indeed about the survival of a people. No one is more painfully aware of that than those people. What is even more excruciatingly painful is to realize your peril but to be helpless to do anything about it.

That is what this debate is all about. We need your help. We need the help of men and women of good will from coast to coast in this country. We need the help of people and of governments around the world.

But first, let me be more specific on one or two points. What are those despicable actions of which I speak? And why do I call them despicable?

Yesterday, along with several of my colleagues, I had the opportunity of meeting with Richard Cashin and with members of the Fishermen, Food and Allied Workers Union who were here from Newfoundland to meet with the Prime Minister and various caucuses.

We heard, as I hope the Prime Minister did as well, from Mr. Cashin and his group in the most graphic terms the terrible toll that foreign overfishing off Canada's east coast is taking on people, on communities, on a way of life.

Indeed, during the meeting Mr. Cashin produced a couple of graphs that show pretty clearly the dimensions of the slaughter which is being perpetrated by the Spanish and by the Portuguese off our coast. The first graph showed us how the Canadian fishing effort has just dropped over the last three or four years, and against that they showed us another graph which showed how the foreign fishing effort, illegal fishing effort, has skyrocketed. The two graphs, side by side, tell a story in themselves.

We the people of rural Newfoundland, we the people of rural Nova Scotia, we the people of conscience all over Canada, need your help. We need you in Williams Lake in British Columbia, in Dauphin, Manitoba, in Sachs Harbour up inside the Arctic Circle, in St. Jean-sur-Richelieu down near the American border, we need your help. It is not your pity we need, we are not looking for pity, that is not what we want to evoke; we want to trigger your common sense.

The wanton pillaging of a precious marine resource defies common sense. Our failure as a nation, as a country, to act against that piracy defies common sense. It is precisely for that reason that I turn to Canadians in every nook and cranny of this great country and I ask them to say to their politicians that they want their national government to call a halt now to the senseless slaughter of fish stocks. They want their national government now to do what has to be done to save an entire way of life and a people from sure oblivion.

This debate, this motion, is about many other things too. Yes, it is about the survival of a people. I have said that. Yes, it is about fish, and I have said that. But it also about environment and it is about ecology and it is about sustainable development. My friend and colleague from Montreal will talk about that.

It is about the snake alley of international relations and the art of the possible, and it is about having the guts to do what has to be done and the savvy to do it. My friend and colleague from Winnipeg will talk about that. Others will talk about that and about the environment. My friend from Davenport, my friend from Broadview—Greenwood, colleagues and friends from all over this country, including I hope in all three parties, will talk about various aspects of this important issue.

• (1030)

This debate is about the hurt, about the pain, about the desperation of the thousands and tens of thousands and hundreds of thousands of men, women and children whose economic underpinning has been snatched away from them.

My colleagues from Newfoundland and Nova Scotia in particular will talk to you about that, including my colleagues from Bonavista—Trinity—Conception and from Gander—Grand Falls.

When the people of Newfoundland and Labrador voted to give up their independence and entered this federation 43 years ago this month as a matter of fact, they brought with them a stubborn and strong work ethic. Newfoundland brought a bank balance for it was in the black when it joined Canada and it brought phenomenal natural wealth, not the least of which was the world's richest and largest fishing grounds.

Now 43 years later, take a look at us. The bank balance has long since gone. The fish are gone, at least for us, although it seems they are there for everybody else. They are there for the Spanish and the Portuguese but they are not there for us. And a strong work ethic is not unlike our appendix, it is still there but it is not of much use anymore. There is no place to practise it.

One of the colourful and descriptive words among many—and this one I believe is unique to the Newfoundland vocabulary—is a word that my good friend whom I am delighted to see here, the gentleman from St. John's West, the minister of fisheries, knows and uses often, I am sure. It is the word hangashore, stay ashore, as in do not go fishing.

A person who is a hangashore is a person who is considered to be lazy. It is the ultimate, the most insulting put-down that you can hurl at another Newfoundlander, to call him a hangashore. Because if he does not go fishing he is lazy, he is a hangashore. What a telling term.

In traditional Newfoundland to work was to fish. The flip side of that, the corollary of that is true today. If you cannot fish, by and large you cannot work in Newfoundland. You are a hangashore, but not deliberately so. You are a forced hangashore. Forced by the Spanish, the Portuguese and the lack of action by the national government.

Do we begin to even understand what this debate is all about? We want to be able to practise our work ethic again. We want first crack at the fish that brought us to these shores five centuries ago.

We are the only Canadians who came into this country by voting to come into it. I was not born a Canadian. My father and mother were not born Canadians. My brothers and sisters were not born Canadians. We voted to embrace a nation. And we want now from that nation we embraced four decades ago, a bit of fairness because we have not been getting it on this issue.

We have become pawns in a larger game, a game that dictated for five whole years, from 1985 to 1990, a shameful silence on this issue. Nobody at the national level spoke up for this issue. Why? Because fish resources during that period were judged to be easy trade-offs for big ticket items with the European Community and an easy trade-off for inflated egos as well.

But now the chickens have come home to roost. The disaster is at our door. It is not just at the doors of the people who are having difficulty putting bread and butter on the table in rural Newfoundland and Nova Scotia, but it is at our door as a Parliament and at our door as a government.

If we fail to act on this one, we are not worth our salt. If we allow a people to be destroyed, if we allow one of our great national industries, equal in magnitude to the great auto industry of this country, to be decimated, if we allow our sovereignty to continue to be trampled, if we allow a great marine resource to be pillaged beyond retrieval, what are we doing here? The disaster is at our door, but so is the solution, the only solution.

I understand that my friend, the minister of fisheries, has tried other options. Knowing him I know he has pursued those options with great vigour, great enthusiasm and great commitment. For that I have commended him often both publicly and privately. But I believe in his heart of hearts, as he has indicated in some of his unguarded moments, he knows there is only one solution and it is contained in this resolution.

He knows and I know that solution will not be easy, but I have never seen this government back away from solutions that are not easy.

The government knew when it took on the free trade issue—and we were on different sides on that one but I use it as an example—that it was not an easy fight, but it was committed to it and saw it through.

I was not on the government's side on the GST, but I use it as an example of another fight that it took on because it, for whatever reason, believed in it and saw it through.

So do not give me the argument back that we cannot do it because it is not very easy to do. It is going to be painfully difficult to do, but it has to be done.

I see my time has run out so in conclusion, as my colleague from Broadview—Greenwood has just said, we are all in this together.

We have focused on this issue six ways to Sunday. No matter how good Canada's conservation, no matter how well it regulates its own fishery, no matter how good the compensation package for people who are deprived of incomes out there, and there has to be a good compensation package, no matter how well we regulate the inshore, no matter how fairly we apportion licences, all of that is going to be by the board if we do not come to grips with this central problem.

On this one I say to the minister and the Prime Minister, they have the goodwill of every member of this House and of all well-intentioned Canadians. I ask him to rise, support the motion and then let us begin the admittedly difficult task of putting the decision into effect for the good of those people to save that way of life and for the good of Canada.

Mr. Jim Peterson (Willowdale): Mr. Speaker, two years ago the hon. member for Burin—St. George's took me and one of our senators throughout his riding which covers most of the south coast of Newfoundland.

We visited the Codroy region, Stephenville, but what will always be etched in my memory is our visits to four fishing areas: Ramea, Grey River, Gaultois, Baine Harbour. Two years ago these communities were closing down. The fish plants were either working at a very low capacity or no capacity at all.

The member for Burin—St. George's had us meet with many of these people. We asked the question: Can we retrain people? I was full of optimism that we might

be able to do this. But I came to the reluctant conclusion, after speaking with the people in so many of these areas who have fished and lived off the sea for so many decades, for centuries, that this was not possible.

• (1040)

To try to do that would be cruel. It would mean uprooting the people from the villages, from the areas, and taking them elsewhere, destroying a way of life. Why? Because of what the member from Burin—St. George's has lead the charge for in this House of Commons, preservation of the fish stock particularly in the face of foreign overfishing.

To me, it is a tragedy coming to be realized when we see these great human beings with their way of life taken from them. I urge members in this House from every part of the country—and I come from Toronto, North York, Willowdale. But to me, to see these Newfoundlanders deprived of their way of life through the short-sightedness of national policies and international overfishing, we must bear the blame.

It is not their fault. It was in our hands. We made the treaties and we enforced them. We are the ones who have been negligent. We owe it to them. We owe it to ourselves to ensure that we take the steps proposed by the member for Burin—St. George's.

In conclusion I ask him, if his resolution is passed, how long does he feel it will take before the fish stock can be restored to the level that Canada needs?

Mr. Simmons: Mr. Speaker, let me come directly to the last part of the question first. Here I seek the camaraderie, the support of my friend from St. John's West because I think he has voiced some frustration with some of the findings he has had from scientists.

Certainly part of the problem has been some of the guessing. Do not forget that trying to measure how many fish are out there is a very inaccurate science at best. So the regeneration period, the restoration period before there is a healthy fish stock, the answer given will depend on the scientists talked to and often when it is that they are consulted.

Some say that we can do it in the short term. I will not get into numbers, but I will say that I have not heard anybody, not Dr. Harris in his report or Mr. Dunne, the director general in Newfoundland of DFO, in his report or any others, none of them have said, the minister has never said that it is gone. Nobody has ever said: "The game is over".

Everybody has said: "If we do the right thing". Let us stop my talking in code. If we take control of the fish stock, because we have managed the stock inside the limit with reasonable good sense, although there have been some lapses of good sense. If we had been able to manage the stock that is now under threat, we would not be debating this resolution today.

I say to my friend that everybody who has scrutinized this problem believes there is a solution. It is surprising who is getting onside on this one. I just saw a newspaper in Windsor, Ontario. I see editorials across the country. I see people who have studied this industry for years. I see the heads of the great fish companies, National Sea and FPI now saying in the last few weeks that there is only one solution. That is to extend jurisdiction over the nose and tail of the Grand Banks.

Everybody is saying that. The minister, in various forms and sometimes by allusion, has said the same thing. Nobody argues the validity of the solution. What the minister I am sure will say in a few minutes is that it is going to be difficult, and I understand that.

I have one further point in response to my friend. He mentioned having visited communities like Ramea, Grey River, Gaultois and so on. The cry out there is: "Create some jobs".

Does it not strike you, Mr. Speaker, does it not strike the minister that the jobs we want to create are not painting cemetery fences or putting people on buses to Cambridge, Ontario? The jobs we want are right under our noses, except they are being performed by Spanish and Portuguese. Let us give them back to the people who had them in the first place.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, very briefly. In his powerful speech, the member for Burin—St. George's made reference to something that is of some significance. He spoke of the senseless slaughter of fish stock. Would he elaborate on that term so as to give us some elements as he sees them.

Mr. Simmons: I thank my friend from Davenport. Yes, it is easy to elaborate on that. The figures are well known. There is an organization called the Northwest Atlantic Fisheries Organization, NAFO, which has been together as an organization since 1977–78, which has had 12 signatories, 12 members, 11 countries in the European Community. Canada is a member of NAFO.

They have a group of scientists who look each year at what we should be catching without destroying the stock. Then they give quotas to their various countries. All the countries stay within that quota, except the European Community which beginning in 1985 began to transgress the quota.

Starting in 1985 or 1986 NAFO said there ought to be a moratorium, there ought to be no northern cod caught, and instructed its members to abide by that moratorium. Since 1986 when no cod were supposed to be caught, we have had the Spanish and Portuguese, through their membership in EC and NAFO, catching 400,000 tonnes that they were not supposed to catch. Last year alone they caught 47,000 tonnes that they were not supposed to catch. That is slaughter.

That is one example, but only one of many we could give, were there time.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I would like to ask a two-part question. The motion suggests that we should take immediate steps to extend something called functional jurisdiction to the nose and tail of the Grand Banks.

I have a chart here that shows the cod harvest in the northwest Atlantic from 1960 to 1991. In 1960 over 1.1 million tonnes of cod were taken. It keeps climbing up to 1968, 1.9 million tonnes, mostly by foreign fishermen. Then it starts to descend as the cod stocks were getting wiped out. In 1976, 1977, 1978 the total catch of everybody was down to about 400,000 tonnes, Canadian and foreign. In 1977 of course there was a 200-mile economic zone established when the nations of the world had reached a consensus that they would accept this and would recognize it if a country took over not jurisdiction, but extended an economic zone out 200 miles from its coast.

My question is this: If a country could simply just extend functional jurisdiction and solve the problem, why did the government of those days—and for most of the period it was a Liberal government—not simply extend functional jurisdiction from 12 miles, as it was, the jurisdiction that was accepted in those days, out to 200 or out to the nose and tail of the banks so that the whole problem would never have occurred of overfishing on the Grand Banks? We would not have had 1.9 million tonnes taken in 1968 and the like. That is one part of my question. If there is some easy solution, why did our predecessors not take this easy solution?

The other part of my question is this: What exactly is functional jurisdiction? Would the hon. gentleman tell us, is it likely that the other sovereign states of the world, particularly high seas fishing countries, industrial states like the United States, the United Kingdom, Germany, Japan, et cetera, would accept this as being a norm that they are prepared to accept all over the world, whatever this is, functional jurisdiction beyond 200 miles?

The Acting Speaker (Mr. DeBlois): Questions and comments period is now over, but is there unanimous consent?

Some hon. members: Agreed.

Mr. Simmons: I thank my friend from St. John's West and I thank the House for giving me unanimous consent, which I promise not to abuse. I will be brief and to the point.

The minister is absolutely right that of course up until especially around 1968 there was a real pillaging going on out there. In fairness, and not to play politics with him, but he and I had membership in the same party in those days. He and I were in relatively equal positions to advise the government of that particular day.

• (1050)

I would hope that some of the wisdom that he passed on, as I am confident of some of the wisdom that I have passed on, had the effect which was triggered in the 1970s, where men like the late Don Jamieson and the late Dan McDonald, Senator MacEachen and others like Romeo LeBlanc led the charge. They essentially did what is being advocated here. It is true they went out and attempted to do what the minister is attempting to do these days, to get as many allies out there as they could. Eventually, they bit the bullet. He is right, they might have been a little late in doing it. That is the charge we are making of this particular administration right now, if there is a charge.

He did something that I had hoped he would not do. He talked about there being an easy way. I said: "No, there is no easy way". Knowing him, I do not think he will wait for the way to get easy before he treads it. Let us not get locked into that little red herring. It is not going to be easy.

Functional jurisdiction? I do not believe that if the government accepts this resolution today and does what the resolution says tomorrow, that would solve the problem in one fell swoop. It would trigger a number of new problems. The minister has said that. He implied it a minute ago.

I submit, one, that in the absence of other alternatives, this is a solution which will begin the process of finding a solution. At the moment, Spain and Portugal know that all they can expect from Canada is a visit now and then from the minister. He will come over and lecture them with his admittedly colourful phrasing. He will go back home and they will go on willy-nilly fishing all they want. This is want they have done for the last several years.

The extension of jurisdiction will raise, as the minister alludes, a whole range of problems. What it will do on the positive side is force those people to begin talking about the problem. They do not even talk about it now. Most of them do not even admit there is a problem at the moment. It will begin the process of getting them to the table to begin the process of focusing their minds. If the minister wants to draw some lessons from what happened leading to the 1977 extension, I believe there is a reasonably good parallel how Canada bit the bullet because there were not too many choices other than to stand by and allow the resource to be pillaged. Men like Jamieson and others were not willing to do that. I do not believe men like the present minister are willing to do it much longer.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I want to congratulate the previous speaker on the tone of his speech if not on the total content of it.

The motion says to stop further ecological disaster through the pillaging of transboundary fish stocks off the east coast and so on, Canada should take immediate steps to extend its functional jurisdiction to the nose and tail of the Grand Banks. That would be the area outside the present 200-mile fishing zone.

It is not clear what is meant by this term functional jurisdiction. Nor is it clear why the rest of the world would accept this attempt to extend jurisdiction out in that area. When I asked the question, I did not get an answer really to give me any specificity on that issue. What the motion suggests is action that is premature. It is a non-confidence motion. The government and I will be asking my colleagues to vote against it because it is premature and it is certainly inexplicit as to what Canada has been asked to do.

In starting my comments, let me just point out again that in 1960 there were patches of over 1,100,000 tonnes of cod in this area, going to 1.9 million over the years to 1968. Then it diminished as the pressure reduced the stocks in 1976 when the total catch, foreign and Canadian, was about 400,000 tonnes. During that whole period, Canada and other nations fought to establish the Law of the Sea convention that would give some recognition beyond the 12-mile limit to coastal states with respect to an exclusive fishing zone. That is how long it took when the stocks were really being pillaged, pillaged to heights that no one could even visualize today. It took a period of 10 or 12 years for the Law of the Sea convention to be established and accepted by other nations of the international community because, unless a large preponderance of other nations in the world accept your attempt to extend jurisdiction, of course, your extension of jurisdiction is useless. It will simply lead to confrontation and conflict.

The hon. member of Parliament mentioned something about sovereignty; that our sovereignty was being trammelled. Our sovereignty as a country is certainly recognized within our territorial boundaries and in the 200-mile fishing zone, it is recognized with reference to fisheries matters. The rest of the world recognizes it.

Our sovereignty is not being trammelled today. However, a fish stock or stocks is being trampled upon and in fact is being threatened with extinction because of totally unjustifiable overfishing by certain other nations in the world on the nose and tail of the Grand Banks. That is not a trammelling of our sovereignty, that is a trampling of our common sense. That is a trampling upon the principles of sustainable conservation that the world

community says it believes in, as enunciated by the Brundtland commission in 1987.

This is, I believe, one of the worst examples of ecological and environmental catastrophe that is present before the world today. People talk about the threat to the tropical forests. They concern themselves about the ozone layer and the like. There are a great number of people who are concerned about seals and seals are not a stock that is in danger at all. There is no threat. Seals as a separate species of animals are not threatened at all. In fact, their numbers have grown beyond all comprehension. They have doubled in the last seven or eight years. The harp and the hood seal were never threatened with extinction.

We notice that some people are apparently so concerned about them that they will spend hundreds of thousands of dollars on silly advertisements saying that seals do not eat cod. As the Minister of Fisheries in Newfoundland suggested the other day, what do they do? He has never seen them lined up waiting for Kentucky Fried Chicken. I have never seen them eat popsicles. They certainly eat something that is in the ocean. We know they eat capelin and they eat cod and they eat other fish species.

Although seals are not endangered as a species at all, some people go absolutely bonkers at the thought that there should be any killing of seals or any culling of seals. Now, it is a separate issue. What is threatened and what I am concerned about is not seals because they are not in danger. It is fish stocks that are in danger and specifically the northern cod stock, which is the reason why Newfoundland was settled in the first place hundreds of years ago and flatfish stocks, as I explained in New York on Tuesday when I was there.

The American plaice, the witch flounder, the yellow tail flounder, are three valuable flatfish stocks which the European communities of Spain and Portugal have so overfished by ignoring NAFO quotas in the last four or five years that the NAFO quotas have had to be reduced by 50 to 60 per cent. NAFO scientists have had to flatly say they can no longer estimate what the total allowable catches for those species should be because they simply do not have the information. They do not know how much has been discarded. We have the same people, the Spanish in particular, and the Portuguese catching juvenile flatfish, using mesh sizes not permitted by NAFO to catch these small juvenile fish that they are catching in the nursery grounds outside the 200-mile limit.

That is what we should keep our eye on and not get diverted. As Mr. Diefenbaker once said when Richard Cashin interrupted a speech he was making in the House, "When the big game hunter is out after big game, he does not get diverted by rabbit tracks". We should not get diverted by seal tracks and advertisements by people who claim that they are environmentalists, such as the Fund for Animal Welfare that made a fortune a few years ago in wrecking the seal hunt, spending $100,000 on these silly newspaper advertisements this week.

• (1100)

What is endangered is not the seal. It is not any mammal, it is not any marine mammal. It is a species of fish, the flatfish that I mentioned and the northern cod in particular.

The hon. member said we failed to act on this. We have not failed to act on this. We have acted in dozens of ways, innumerable ways to try to prevent this overfishing taking place outside our 200-mile economic zone. Inside we have a tremendous system of surveillance and enforcement. We have observers on every trawler that fishes inside the 200-mile limit. On every foreign trawler and even on our own trawlers we have observers to make sure we know what is being caught, what is being discarded, what the species are and that the rules are observed.

Outside the 200-mile limit there is a very ineffective system of surveillance and management which we have been trying to get improved through NAFO. But as to failing to act on this one, since November or December of 1988, when we learned of the scientist's newly rejiggered estimates of what the state of the northern cod stock was, our efforts in this direction have been untiring in trying to overcome the foreign overfishing that is occurring on the nose and tail of the Grand Banks.

As Minister for International Trade, on every occasion when I met the Minister for External Affairs, the Minister of Trade for the European Community Mr. Frans Andriessen, I brought this matter up with him.

I have attended several meetings with Manuel Marin, Fisheries Commissioner of the European Community. I have been at meetings in Spain and Portugal pursuing these matters with the foreign ministers, ministers of fisheries and trade ministers of those countries. I have

spoken in a campaign in the U.K., Japan, and Paris. I met with the Minister of Agriculture and Fisheries in Paris and the Minister of Agriculture in Bonn, who is responsible for fisheries as well. We have arranged parliamentary visits to the European Community and to European countries of both opposition and government members. We have had media campaigns, public relations campaigns. We have tried to get environmental groups, including Greenpeace and others, involved in this issue. To date they have been very reluctant to take any prominent role in it at all.

The only thing I can fathom is that the codfish or a fish is not some attractive little animal that you can get a TV audience really interested in from the point of view of it being warm-blooded or with big luminous eyes or cuddly looking, or whatever it is. The poor beast does not look like much. In fact I have to admit the codfish is a stupid looking animal and very difficult to cuddle.

It is not a fundraiser. It is not eye-catching, so we have had difficulty getting some of these groups involved as they should be, because this is the great ecological and environmental issue of this year and of the next several years, believe me, not just in the northwest Atlantic but everywhere in the world where pressure on the fish stocks is such that our fish stocks are in danger of not surviving.

We have taken action at NAFO. As a result of our efforts we have a special session of NAFO being held in May at which we are trying to get them to improve their surveillance and enforcement system.

We are always having trouble with the European Community. There have been some advances but their system is totally unsatisfactory. They do not know what is being caught out there by Spain and Portugal. The European Community relies on Spain and Portugal to report to them what is being landed in their countries. Spain and Portugal do not even have a sufficient number of inspectors to be present when their ships do arrive and land fish. When they report that skate is being caught or hake is being caught, they do not know whether that is really skate and hake or cod. We know that a great deal of what they report landed as skate and hake is really cod, and on and on it goes. A special meeting of NAFO will be held in May. We have addressed this issue in the UN. Ambassador Fortier made a very good speech on the subject just a month or so ago. We convened conferences, starting in St. John's, to get the international community to deal with this issue. The conferences continued to San Diego. Sixteen nations, including our own, have a resolution before UNCED to deal with this issue, to establish what the rights of the coastal state should be with reference to the management of straddling fish stocks.

It is a resolution that is also supported by Iceland, Chile, Argentina, New Zealand and by other concerned coastal countries. We are hoping to have many more signatories before the UNCED process ends in the great meeting in Rio de Janeiro in June.

Just this week I spent the day in New York meeting ambassadors from the United States, Japan, Argentina, Chile, Jamaica and other countries to try to get increased support for this resolution of the issue. I met with Mr. Maurice Strong, who is the Secretary-General of the UNCED conference and who agreed absolutely that this was an issue that must be front and centre at the final conference to be held in Rio de Janeiro in June. He said he would do all he could to assist in it being front and centre and being dealt with in an adequate manner.

We want a world conference of high seas fishing countries to be held that will adopt a resolution similar to ours to resolve this issue, so we are taking action on those fronts.

What we need to do now is to have people like Mr. Cashin, and other leaders of the industry in eastern Canada, perhaps the provincial governments, go to New York this month to make sure that the non-governmental organizations assembled there are brought up to date and made aware of this issue and get their support to see that the conference at Rio de Janeiro takes action on this issue.

It is not that there is no action being taken. A number of years ago we took action. We refused to allow European Community vessels to fish within our 200-mile limit for under-utilized stocks or stocks that we were not using because they would not observe proper conservation rules outside the 200-mile limit. That was action.

We took action to refuse to allow European Community countries to visit our ports. Their fishing vessels are no longer welcome in our ports unless they have an emergency or some reason of safety or to prevent a danger to life, health and safety that they might be

allowed in an emergency. Otherwise, they are not even allowed in our ports any longer. Portuguese vessels that used to fill our harbour at St. John's no longer are there. If you go to St. John's today, you will not see one. There have been many, many actions taken that are within our power to take.

Since I became minister of fisheries, I have advanced this cause all I could, just as I was doing before, since I represent the province of Newfoundland as a minister. I intend to visit Cuba, Russia, Poland and Panama over the next few weeks.

We have a problem with the non-NAFO countries. Panama's vessels are all Spanish or Portuguese owned. Panama and South Korea are out there taking 40,000 odd tonnes of cod and flatfish a year as well outside our 200-mile economic zone. We are hoping to make some progress with Panama on how this can be dealt with. The Koreans are now reducing their fishing effort in the northwest Atlantic.

It is not that action is not being taken. Bilaterally and multilaterally in international institutions we have got to make our case. We have got to be able to show the rest of the world if we are forced to take some unilateral actions in the future. We have to be able to show the rest of the world: "Look, we have made every possible effort bilaterally. We made every possible effort multilaterally in international organizations to resolve this question of overfishing of straddling stocks outside our 200-mile fishing zone, and despite these huge efforts and the reasonableness of our position, and recognition by impartial parties, environmentalists and the rest, that this is a threat to a fish stock that might vanish from the earth if this overfishing is not stopped, we cannot accomplish anything".

• (1110)

There is a consensus procedure in international organizations. You need to have the other parties agree. There has to be a consensus. There has been no consensus despite these tremendous efforts of ours and the reasonable steps we have taken.

This all having been done and nothing having been accomplished because of the obduracy, the obstinacy, the closing a blind eye to the imperviousness to the needs of humanity of Spain and Portugal to the European Community, in the light of all of this and having had no results, we are now going to have to take certain unilateral actions.

We asked the international community to accept them and to back them up because if we try to extend our jurisdiction, functional or otherwise, outside the 200-mile limit, it will not matter a twit if other countries are not going to recognize it.

The opposition member suggesting this course of action had to answer the question: What is to happen if we say we are extending jurisdiction of fisheries matters to the nose and tail of the Banks, but the countries fishing out there say: "We have freedom of the high seas. International law backs us in this issue. Canada has no authority outside 200 miles. We do not recognize it. We are going to continue to fish". What then does Canada do?

It is useless to declare functional or any other kind of jurisdiction if you cannot back it up, if you cannot successfully establish it. It would come down to a question of confrontation. If they do not accept our jurisdiction, if they do not set the quotas we set or stop fishing if we say: "Stop fishing", how do we enforce it?

We have to ask ourselves: Are we prepared to follow up with some kind of armed force? How are we going to follow up if we do that? Before we get to that stage, surely, we should stop posturing. It is easy enough when you are not in a position of responsibility to play the war-like hero. I could pretend to be Sylvester Stallone. I certainly look just as good as he does.

Some hon. members: Oh, oh.

Mr. Crosbie: Better. I might not be quite as muscular. But that would not serve Canada well because the world is not going to be bullied by Sylvester Stallone unless Sylvester Stallone can show first that he has attempted to be Clark Kent and that he has done everything possible multilaterally and bilaterally to get other nations to do the proper thing in connection with these fish stocks.

That is why we cannot accept this motion at the present time to extend functional jurisdiction. We have to complete this process.

I think the Speaker is indicating that I have to come to an end. It is amazing how fast time goes. I did not even get to my notes here that were so carefully prepared for me. We are all agreed in this House on what the problem is, that our fish stocks are being endangered and so is the way of life.

I have not got the time now to go on with the economic steps we have taken or outline some of the things we have done, say, in Gaultois or wherever it might be, the Atlantic AFAP program, the PWAP program and how we are attempting to deal with the economic consequences. That will be for another day.

I thank the member who introduced the motion for his interest. I know of his concern. I ask him and the people of Newfoundland and Labrador and eastern Canada to exhibit patience. If we are to be successful in this cause, we have to exhibit some patience, go at this, and I think the way we are going at it is the right way.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, first on a serious note, I thank the minister for his speech. I found it disappointing in some respects, but I will come back to that in a moment.

On a less serious note, may I ask the man of a thousand faces a question? I was thinking when he was talking about being Sylvester Stallone that the chest is slightly lower.

The minister has done something again today that I have seen him do fairly often. Maybe today, since we just a few feet across the aisle from each other, we can sort this one out. I get confused about many things, I admit that, but this one, I think, is a matter that he might be able to clear up fairly quickly. He says in one mouthful —and this is not the first time he has done this either—"now this is foolhardy and this can't be done, and if you did it you would have the whole world on your door with their gunboats", and so on. Then, in the next mouthful, he says; "Now, by the way, if we have to do something down the road, we want to be able to demonstrate that we have taken all the preliminary steps".

Which is it? If it is foolhardy today, March 12, 1992, is there something I am missing that would make it less foolhardy if he has to do it later on? Either it is a plausible course of action or it is not a plausible course of action.

In the one mouthful he condemns it as being irresponsible, that only people not in a position to have to make the decision would advocate. He might be sparring politically but he should bear in mind that one of his dearest friends on this earth, one Vic Young, advocates this position and I do not think he is running for any office. National Sea advocates the position, and many other people who do not have any political points to score are making this argument.

So I ask him: which is it; is it as foolhardy as he pretends, or is it something that maybe he has up his sleeve when the time comes? Because he has said both today, and I would submit to him that it really ought to be one or the other.

Mr. Crosbie: Mr. Speaker, as is true so often in life, it is certainly true in international affairs, that it is usually not one or the other. I am not suggesting in this situation that it is one or the other.

I am suggesting this. If and when Canada has to take some kind of unilateral action in connection with this situation, such as the kind of unilateral action the hon. member is advocating in his resolution, that we have to be able to show the world, hopefully, at that stage we would want to have as many nations as we could supporting our actions and saying that, "Yes, this is sensible, you've been driven to it, your stocks obviously are endangered."

Environmental groups, ecological movements support the fact that our fish stocks are in danger. We have spent several years now trying to persuade the European Community, Spain, Portugal, South Korea, Panama to cease fishing and to observe the requirements of this international body NAFO.

We have had resolutions passed. The Prime Minister had a resolution passed at the economic summit last year by all the leaders of these countries which said that nations should observe the quotas established by regional international fisheries authorities. We have done all these kinds of things, we have brought this to the United Nations, we have brought it to the United Nations Conference on the Environment and Development, we have put before them this resolution proposal on coastal stocks.

There are five major points here and I cannot refer to them all. But if it were accepted, the nations of the world would be agreeing that with respect to a stock occurring both within the exclusive economic zone of the coastal state and in an area of the high seas adjacent to it, the management regime applied to the stock must provide for consistency of the measures applied on the high seas

with those applied by the coastal state within its exclusive economic zone.

We have put forward a sensible solution to this problem. We have had it backed by X number of countries, but it was stopped because the European Community and other stubborn countries with a huge amount of clout and economic power now no longer want to be neighbours or neighbourly or worry about the rest of humanity, and who are now one of the largest economic power aggregations in the world. They are not concerned about what Canada might or might not like or what humanity thinks.

We have done all of this but we have been stopped by the people who are causing the problem. We think yes, obviously this is the only move left to take and we think a sensible nation should observe it.

We have to get the world community to that stage.

• (1120)

An hon. member: How much time do we have?

Mr. Crosbie: I do not think that we have to. I am satisfied myself that this problem could be resolved in four or five years, going as we are, but we do not have four or five years to resolve it. I am of the opinion that we have this year to try to get a resolution of these issues and that if they are not resolved by next year then surely any sensible congregation of people would say: "Well it is time for us in the world to change the rules out there." But we have got a much better chance—

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry to interrupt the hon. minister, but other members want to raise questions with the minister. The hon. member for Davenport.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the minister in his interesting analysis of the problem which he put to us, also made reference to the interpretation of functional jurisdiction.

Our distinguished colleague from Winnipeg South will elaborate and offer the minister a very clear explanation as to what we mean in this motion by functional jurisdiction, drawing from the experience of Iceland in the 1970s. We hope that the intervention by our colleague from Winnipeg South will convince the minister that this is an approach that deserves his consideration and support.

My question has to do with a short commentary on the part of the minister on this motion which he said he would interpret as a non-confidence motion.

We do not deem this motion to be a non-confidence motion. Therefore we would like to ask the minister to reconsider his interpretation of the motion as being a non-confidence motion because it is not intended in such a manner. Also, it falls technically within a certain range of motions so that we can convince the minister that this motion deserves the unanimous support of this House.

Mr. Crosbie: Mr. Speaker, as I have tried to explain, we cannot support the motion as it is at the moment because it calls for immediate steps to extend something called functional jurisdiction outside the present 200-mile exclusive fishing zone to the nose and tail of the Grand Banks.

In our view, this would be premature and in fact contrary to the interests of Canada for us to attempt to do this at this time. I am not going to say that the time is not going to come when possibly this might be an option that we have to consider, but I think the House has to recognize that what is being suggested is an extraordinary, highly unusual step which could only be taken or risks everything else having failed.

As I explained in my remarks or hope I have, we have a number of initiatives under way at the moment that we have got to hope will be successful. Yesterday, for example, Mr. Cashin and three or four members of his union met with the Prime Minister. The Prime Minister has been and is now fully engaged in this matter. He is going to be taking it up intensively with the leaders of countries that make up the European Community, as he has in the past, but this will be at the top of the list for action. I think it is likely that he is going to attend the conference at Rio in June. I do not believe he was looking on that affirmatively until recently because he wants to make sure that this issue gets the proper attention at the conference.

The UNCED process, we have to hope, might be successful as well as the diplomatic steps that we are taking.

So we cannot accept the resolution as it stands for those reasons.

Another problem is that this is an opposition day motion, and I am no expert on the rules here, but these are traditionally understood to be and accepted as non-confidence motions. Now there has been one in recent history—

The Acting Speaker (Mr. DeBlois): Order, please. Time is running out. Resuming debate.

On a point of order, the hon. member for Broadview—Greenwood.

Mr. Mills: Mr. Speaker, seeing that the minister has been so accommodating this morning, I wonder if we could get unanimous consent of the House to ask a few more short questions of the minister.

[*Translation*]

The Acting Speaker (Mr. DeBlois): As you know, the period for questions and comments is over. Resuming debate.

[*English*]

On a point of order, the hon. member for Gander—Grand Falls.

Mr. Baker: Mr. Speaker, I do not wish of course to question your judgment and your ruling, but I am sure you will agree that the House is the master of its own fate and its own time; that the House can determine at any time under any rule, under any restriction, under any impediment imposed upon it by rule its own decisions.

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member is right, but the hon. member must ask for unanimous consent.

Mr. Baker: Mr. Speaker, I so do.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to extend the question and comment period?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The hon. member for Broadview—Greenwood.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I appreciate the support of the House on this.

I listened attentively to the minister when he went through a long list of all the actions that he has taken, from the international meetings, foreign ministers of fisheries, ministers of external affairs, media campaigns, public relations campaigns, Greenpeace and environmental groups.

My question is a very simple one. What do all these people say to the minister when he presents the facts that our fish stocks are being raped or slaughtered? We have all these environmental organizations that are touting sustainable development day in and day out. Whenever they spot a little problem in whatever riding it is, they come with the banners and the placards and seem to raise quite a fuss.

What do all these people say when he pleads this cause of the fish stocks and the people of Newfoundland? I would be curious as to what they report.

Mr. Crosbie: With respect to environmental groups and the like, in our conversations with them they have exhibited sympathy and said: "Yes, this is certainly an example of violation of the rules of sustainable conservation and Brundtland".

But this is an issue on which they have to be careful or they do not seem to be able to mobilize themselves into enthusiastic support of the position, perhaps because it is a government that is concerned in taking the action. They seem to want to keep clear of governments, that somehow they are going to be suspect if they are on the same side as government.

Perhaps we are not using them effectively. As I mentioned in my remarks, Mr. Maurice Strong suggested that we should be giving them a briefing, that we should send a delegation to New York to make sure that the non-governmental organizations are properly seized with it.

Some of them, you see, have got old scores to settle with the Canadian government because of the seal hunt. The feelings between certain groups and us are not the friendliest because of the tactics they used to stop the seal hunt because the seal was never an endangered species and the problems that have resulted since. Perhaps that is a factor as well.

With respect to governments, we have acceptance from countries like the U.S.S.R., now Russia, Cuba. Japan observes all the NAFO rules, Norway and so on. There is a small group, and the small group basically is Spain and Portugal which is determined by the policy of the EC, South Korea; Panama is really Spain and Portugal again, who say: "There is the freedom of the high seas, that anything you do will derogate from freedom to fish on the high seas". They use all kinds of excuses. A couple of years ago it was: "Your scientists don't co-operate with our scientists, so why should we accept the views and recommendations of your scien-

tists?" Then we overcame that because we brought all the scientists together. The NAFO or the EC scientists do not disagree with our scientists. Then they have other objections. The Portuguese say: "We have fished there for hundreds of years and now you are not letting us fish there." The industry seems to take the attitude that: "Look, Canada has this huge zone out there. You are greedy-guts Canadians. You have this huge area of millions of square miles or kilometres or whatever you want to call it out there, and now you want to control the fishery of the whole northwest Atlantic and chase us out of there. We have been chased out of other parts of the world. Now are we no longer to be allowed to fish as we like? You are trying to save all the fish for yourselves."

• (1130)

So they are very suspicious of us and the Spaniards are the same. They get driven out of Namibia. Namibia extended a 200-mile limit down there and stopped them fishing there. The next thing we had six or seven boats formerly fishing Namibia now off the northwest Atlantic, 147 of them last year.

Our problem, by the way, and I want to appeal to the member for Gander—Grand Falls to straighten up his thinking on this, is not foreign fishing within the 200-mile limit because that is under absolute control. We know exactly what they are doing when they are in there. We have fees that we charge them so we know exactly what they are catching. It is outside.

These are the kinds of answers we have received from them. The latest rumour I heard that had been planted down in the UN was a suggestion by the EC that we were not listening to our scientists, that the problem was caused by our not listening to our own scientists. They are seizing on the Cabot Martin theory or whatever.

In other words, it is my fault, I should have eliminated the whole TAC for northern cod, but I am not doing that or I did not do what the scientists said we should do two or three years ago. So this whole crisis is our fault and not their fault for catching fish when they have no quota. It is ours for not listening to the scientists. So they have all kinds of excuses that they give.

Now maybe we need somebody with the flair of the hon. gentleman. In fact, we have to pursue more involvement of the opposition, but somebody with the hon. gentleman's flair to take hold of this issue and propel it in non-governmental ranks for us.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I thought it was amusing the comparison of the minister with Sylvester Stallone. I think that one of the points in common is that neither one will ever be accused of overestimating the intelligence of their listeners.

Will the minister tell us why the government has not ratified the convention on the Law of the Sea? When he was going on about highly unusual two questions ago, does he not think the situation is highly unusual? Does he not think it deserves some special measures, some other than weak-wristed government? Does he not think that it deserves a bit of vigour in the backbone of the minister of fisheries of this country?

Mr. Crosbie: Mr. Speaker, I can say that in one particular case I have overestimated the intelligence of an hon. member, the hon. member who just spoke. What do these questions add to this discussion at all? The weak-wristed action of the government. Where is the weak-wristed action?

All kinds of actions have been taken by the government. Is the hon. member advocating some kind of war-like action or bellicosity of that nature?

Is it weak-wristed to try to use diplomacy in all its forms or the UN or UN conferences or non-governmental bodies to try to achieve our objectives? What a silly, jejune, imbecilic statement by the hon. crosser of the floor. I would not doubt that he would even double-cross the floor if he had a chance.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the hon. minister, a couple of moments ago, referred to me and he said that I had to get my thinking straight, on these licences inside to foreign nations. I heard the minister on the speaker system in there a few moments ago as I was coming into the hall. The speaker system certainly does bring up the volume of the hon. gentleman's voice, but it certainly does not do anything for the idea behind what he is saying.

I heard him say that the foreigners inside the 200-mile zone, of course, are monitored. Now just imagine. Foreigners inside the 200-mile zone fishing in factory freezer trawlers, they are monitored. We are talking about people who do not have any fish in Canada. What are the foreigners doing with licences inside the 200-mile zone? The minister's department, in its backgrounders says: "Oh, we have an obligation under the Law of the Sea".

There is no such thing. We did not ratify the Law of the Sea. There is no Law of the Sea. There is a Law of the Sea by custom, but there is no Law of the Sea under section 63 that talks about utilization of the resource inside the 200-mile zone.

Let me ask the minister a question. Fishermen who are today in Ottawa, some of them had to go around this winter picking up rocks with money supplied by the Government of Canada to pick up enough for their unemployment insurance. They could not get enough fish. Foreigners are out there in their boats inside the 200-mile zone fishing the same fish, turbot. They call it Greenland halibut here, but it is turbot. They get their quotas.

The minister turned around by the same logic a couple of weeks ago and allocated tuna licences to Japan inside the 200-mile zone, five times our quota and unlimited quotas of yellow fin and big eye. So we want to ask him: Will the minister do the proper thing? Forget the yellow fin, open his big eye and kick them out.

Mr. Crosbie: When I saw the hon. member for Gander—Grand Falls rise to his feet I thought, will we see a miracle today? Will he speak some sense? Unfortunately, my hopes were crushed. So I am very, very disappointed that he is keeping on with the same old line.

Let us take his yellow fin line. The Japanese get a quota from ICCAT, the international association with respect to tuna and Canada gets a quota and the U.S. gets a quota to catch tuna. For a number of years we have been allowing the Japanese tuna vessels to come within our 200-mile area to catch a small proportion of that tuna which, of course, they can catch outside and inside. It is an international high seas fishery.

We do this for the Japanese because they have given us solid support as members of NAFO, the North Atlantic Fisheries Organization. They have complied with its regulations and rules in every way. We have never caught them violating our conservation rules at all. We have an observer on their boats. They pay us fees for this privilege of coming inside to catch a quota given to them not by Canada, but by ICCAT.

So unless we are to alienate every other member of NAFO, there are 12 or 13 countries in NAFO including Japan. The U.S.S.R. was a member, now I think it is likely to be Russia. They complied as well with the rules. That is why we have done joint ventures and so on with them.

If we are prepared to have fish plants close all over Atlantic Canada, Canso would have to close, for example. Burgeo would have to close if we rule out any foreign vessels fishing within our 200-mile economic zone, even under agreements with Canadian plants where the fish has been landed at Canadian plants or it has been caught for Canadian owners.

If we want to eliminate every foreign vessel from fishing within our 200-mile zone where we can watch them and know exactly what they are doing and where they are doing it because it is in the Canadian national interest to help Canadian processing workers, we can do that. But we will add hundreds and hundreds more to the rolls of the unemployed in Atlantic Canada now.

Now for me to do that, if I could stand up in this House tomorrow and say that no foreign vessel is allowed to fish in our 200-mile economic zone, that might sound tremendous for a day or two to some hotheads, like the hon. gentleman or people who are deliberately heating up their heads like the hon. gentleman so they can ventilate more steam or excoriate the issue in a more ferocious manner. But that would result in the likely loss of thousands of jobs in eastern Canada if we do that. There is not one foreign vessel while I am Minister of Fisheries and Oceans that is going to get a permit to fish in the 200-mile limit that cannot show it is fishing here because of the national good and the national interests of Canada. And Greenland halibut, or turbot, is no longer an under-utilized species. No one is going to get Greenland halibut, or turbot, unless it is going to be a benefit to Canada and a certain amount is going to be processed here, et cetera.

• (1140)

While it sounds good to say that we are not going to allow one foreign vessel to fish, we would suffer badly if we did not have reasonable arrangements that are in the Canadian national interests. That is the answer to this foreign fishing vessel allegation within the 200-mile limit.

An hon. member: A supplementary.

The Acting Speaker (Mr. DeBlois): Order, please. I need some clarification because the question and comments period extension given earlier is not an eternal extension.

Mr. Sergio Marchi (York West): Mr. Speaker, I was interested in hearing the minister respond to the member for Davenport in terms of extending the 200-mile limit.

The minister acknowledged that there may come the time when in fact he will do what we are asking him to do this morning. I am just wondering when that time will be, when in fact the time and the need could not have been greater than today and now to do exactly that in protection of those stocks and in the best interests of our own national interests.

Mr. Crosbie: Mr. Speaker, that is of course a matter of very, very great importance yet to be decided.

The timing would have to be when we have concluded that we have the best chance of taking such action successfully, because a very substantial proportion of the international community has been lead to the conclusion that this is the sensible and reasonable thing for Canada to do and that it should get support. That is when we should take further unilateral action, if the present methods that we are now pursuing are unsuccessful.

I cannot give any exact time, but that is the best answer that can be made. The time is not yet, but in my opinion we do not have an awful lot of time that we can wait further. I cannot quantify that.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I think it has been a very interesting and informative morning and a very important discussion.

The courtesy and the co-operation shown by all members present in extending this question period, for example, shows that we can work together in our common interests and the common interests of Canadians when we are all convinced that is the correct way in which to handle the current situation.

It is commendable and I hope some people who are quick to criticize politicians will note that it is not always that way. While this will not be reported because it is not the sort of thing that will make headlines, at least we here know and those who happen to be watching at this time will know as well.

It is a pity the government could not accept this as anything other than a non-confidence motion. Certainly if there is any blame to be attached, then it is blame that should be attached to any party that was the government of Canada at any time in the last 12 years.

This is not a new situation that started the day before yesterday. It has been the situation since 1980 and the Harris report showed that the foreigners have been overfishing their quota every year since 1980 except for one year.

So it is nothing new. There is nothing new about this particular situation that is described in this resolution. When the Liberals were in office, they could not or did not do anything about it. The Tories have been in office for eight years and they could not or have not done anything about it to date. So much for the Liberals and the Conservatives.

The New Democrats have not been in office, but at least in 1987 in a federal convention we passed a resolution urging the government to take all necessary action to extend our authority beyond the 200-mile zone with respect to the nose and tail of the Grand Banks so that we could manage that resource properly.

Since then, our leader in 1989, speaking in the House on behalf of the New Democrats, made the same argument. Again, during the emergency debate of about two weeks ago, she advanced that position on behalf of the New Democrats.

We have been consistent. In our case, the difference is that we have not had the opportunity yet as a government to implement what we believe and what everyone speaking here today has said must be done—to take control of that resource beyond the 200-mile limit when that is necessary to actually manage the resource.

The resolution lays all the blame on foreign overfishing. There has been some discussion already that there are some other factors. For example, the minister mentioned seals. I have mentioned them ever since I was in Newfoundland in 1990 and had listened to a lot of fishermen and fishing companies. I heard from a lot of people the problems of the diminishing cod stocks.

I have known personally from hearing from Newfoundlanders that it has been a problem for some time. Seals certainly were mentioned. The scientists now estimate that seals are consuming some 1.5 million tonnes of marine life annually.

It does not matter really whether they are eating cod, capelin, shrimp or a combination of all three. They are eating something that enters into the chain. Whether they are eating cod or what cod eat, they are affecting the cod population. It is so logical that I do not know how it can be questioned.

I saw a program last night on the news channel as I was waiting to take part in the debate in which one of the scientists seemed to write that off totally. He wanted to ignore completely the fact that the seal population has almost doubled in the last eight years. At that rate, the seals are going to be consuming more and more cod, capelin or shrimp or whatever the cod are eating; directly or indirectly, that will affecting the cod population.

We should be harvesting that under-utilized resource. It is done in some countries. I saw on the same program that Iceland harvests that resource. It harvests the seals without drawing any attention to itself. I am not sure how it manages it. Perhaps we should try to make a deal with Iceland so that we do harvest our seals and ship them to Iceland where they can be exported without causing any problems, or dealt with in some way.

I have been trying to find out since yesterday evening about nine or ten o'clock when I saw that. At 11.45 a.m. today I still have not been able to find out how the Icelanders manage to accomplish this without attracting a lot of undue attention.

It is also Canadian overfishing. The minister talked about the various excuses that the European Community gives for overfishing the quota. I thought he was not going to do it, but at the very end he did mention one more thing, that the European Community claims that we are also overfishing the quota.

I had an opportunity as a member of the fisheries committee to travel to Europe again in 1990. The committee split in half. Some of us went to the Iberian Peninsula, Spain, Portugal, et cetera. Others went in the other direction. I am one of the ones who went in the other direction.

We all heard the same arguments. They all told us that Canadians were also overfishing their quotas, and indeed we were. They were not the quotas set by government necessarily, but the quotas recommended to us by our own scientists.

The minister said that we were not paying attention to our own scientists, and the scientists could not get together. The European Community was not setting the quotas. They were being set by NAFTA. Our scientists were really giving it the information. It was setting the quotas and the Europeans were supposed to accept the quotas that were set in the first stage, the first step, by our scientists. Each year we were setting quotas that were higher than were recommended to us by the scientists. We were not overfishing our quotas because we boosted them up too high.

• (1150)

I can recall the present Minister of Fisheries and Oceans saying that he was not going to wreck the Newfoundland economy, that he was not going to put that kind of pressure on the economy in Newfoundland and lower the quota to the figure recommended by the scientists, by the Harris commission.

The previous minister of fisheries said much the same thing, as quoted in the Harris report, with respect to a recommendation on fishing. A further recommendation was rejected by Mr. Valcourt on March 30, 1990 because of the additional hardships it would produce in 1990 following total allowable catch reductions previously announced.

The Harris commission recommended further reductions. The minister said no because it was going to create additional hardships. The current Minister of Fisheries and Oceans said that if it is going to create hardships today, it does not matter what will happen tomorrow, he is not prepared to lower those quotas.

Had the government had the intestinal fortitude to do it in 1990–91, and going right back to 1980 when the figures showed that we were fishing too much, then we would not be in the serious situation we are in today.

The figures in the Harris report for the 2J3KL catch show that for every year since 1980, the European Community exceeded the quota allotted to it by us except in one year. That was in 1983.

As far as the Canadians are concerned, in those same years, 1980 to 1989, the last date in this report, the Canadians caught less than their quota, but not because our fishermen did not try. Not only did they try, they tried harder. They had better equipment for locating the cod. They had better equipment for making sure they caught every cod that was available. In spite of that, they caught less than the quota allotted to them because the biomass, the number of cod in the water, was decreasing. Population was declining. We knew that was going on. Professor Harris knew it and he did not keep it quiet. He did not keep it a secret, and yet we did little about it because it would mean hardship today. It will mean disaster tomorrow, the way we are going.

The president of Nat Sea in Newfoundland, a year and a half ago, made a presentation. I do not want to put words in his mouth, but as near as I can recall he said: "In five years we could be looking for the last cod fish off the shores of Newfoundland". He knew it was serious. The fishermen talking to me knew it was serious. More recently, I visited the south shore and saw four boats come in that had been out six hours. None of them had a marketable cod on board.

We have known how bad it is. The Liberals had some idea of it but they did not have as much information as we have had in the past few years. The Conservatives have known and they have not done anything because it would mean hardship today.

That was pretty short-term politics and did nothing at all to save the industry. The situation is serious. There is little question about that. This has to be done. There is no question about that as well. The fisheries council had a report done and there are ways to accomplish this, in spite of the minister's concern. In the 1970s Iceland took unilateral action. It mobilized world opinion on its side before and while it was doing it. World opinion did accept the idea that this was necessary for conservation and proper harvesting. Iceland had to have control of the fish in the waters off Iceland even beyond the 200-mile limit. In the mid-1970s Iceland took action and got world support. There is nobody fishing there now except Icelanders.

According to a study prepared for the Fisheries Council of Canada on the problem of foreign overfishing, a declaration of unilateral jurisdiction should be seen as: "a positive step in the further development of international law. Not breaking law, making new law. International law is created by states. Only the acts of states can transform something which is a mere proposal into a binding legal rule".

It was indicated in the study that for Canada to generate international support it would be necessary for us to make it clear that the purpose of such unilateral action would not be for Canada to claim a sole right to harvest straddling stocks on the high seas, rather the purpose of such action is to preserve Canada's interests and the interests of the international community in the conservation of these stocks.

The evidence is there. Stocks are declining. We could be looking for that last cod in a relatively short time. We have developed equipment such as the deep sea trawlers, so good at finding the cod, so good at destroying their spawning beds and destroying this resource, that what should be a renewing and renewable resource could well be facing extinction. We have done this. Foreigners share the blame and the seals share the blame. We have to accept our share of the blame as well, and we have to take action, following Iceland's lead if necessary, although I hope it will not be necessary.

Nevertheless we must make it clear to the world that this is what we are going to do. In the interests of Canada and in the interest of saving what is an international resource, this is the action that must taken. It is not an action we are imposing on any nation or group of nations. We are prepared to live within the recommendations of the same scientists who have been setting the quotas for the European Community, quotas it has been ignoring, such as overfishing, and quotas that we have been ignoring when we set quotas for ourselves that are higher than what the scientists recommend.

We are not blameless. None of us are. Let us take our share of the blame, admit it to the world and let us get on with doing something about it, regardless of who did it or did not do it. Let us get on with proving to the world that we are prepared to take the actions necessary to preserve this resource.

Mr. Keyes: Mr. Speaker, on a point of order.

My apologies to the hon. member for the interruption. With all due respect to the Chair, are we to break with the traditions of this place, that is to say that on this allocated day the mover of the motion, in this case the Official Opposition, would normally in the course of events by fourth intervener in this debate?

[*Translation*]

The Acting Speaker (Mr. DeBlois): I understand the hon. member's question since he himself came to the Chair to talk about it with me, except that I checked afterwards with our advisors, with the Clerk.

This tradition exists, but there is also the tradition of alternating between one side of the House and the other. The Chair is still in an awkward position: Which of the two traditions should prevail? Under the circumstances, since I saw the hon. member for Etobicoke—Lakeshore right away, I thought that I would recognize him, since I make it a duty to recognize an opposition member right after a speech by a government member.

Once again, this is not an easy decision to make and I take good note of the comment by the hon. member for Hamilton West. Resuming debate. The hon. member for Etobicoke—Lakeshore.

[*English*]

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I am happy to participate in the debate. Usually in the House the members from Newfoundland have spoken about this issue so much that whatever part of Canada we are from, we have heard of it and understand it to be a very serious issue. I have taken a personal interest in it myself.

• (1200)

I would like to begin by following on the point as to whether or not this is a non-confidence motion. I heard the minister say that he was treating it as a confidence motion and therefore wanted government members to vote against the motion. Others have spoken on the other side of that.

I would like to suggest that it is very important to make a distinction between the government and Parliament. We are gathered here in this Chamber as Canada's parliamentarians to debate a serious issue, and I would have thought it would be helpful to the government to have a clear and strong statement reflecting our views on this issue, which it could then use to its advantage in dealing with the international community in direct bilateral and multilateral relationships and discussions.

I think too often the mistake made here is to obscure the distinction between the government and the House of Commons. On this issue I certainly would express my view on the record that this need not be construed as a confidence vote. I certainly do not see it that way.

The issue has been raised by the member from Newfoundland who sponsors the resolution, particularly in human terms. He has talked about the suffering by fishermen in his home province, and it is certainly a serious issue right across Atlantic Canada. The numbers are evidence of that. In the last three years alone we have seen some 38 permanent plant closures with a net loss of jobs in the Atlantic Canada fishing industry of some 5,200. That is particularly severe in Newfoundland where there is already 20 per cent or so unemployment.

We have seen the current shortage of harvestable cod resulting in two major plant closures and 1,500 lay-offs, as well some 16 vessels tied up. Other members have spoken about the various statistics and the numbers are clear; this is a crisis in the north Atlantic cod fishery.

Putting it in some perspective, many histories have been written about the North Atlantic fishery, both scholarly and popular. One of the more popular treatments, drawing on the scientific information has been authored by Farley Mowatt. His book is entitled *Sea of Slaughter*. That book documents very well how through the past centuries the North Atlantic was a very plentiful, bountiful area for all forms of marine mammals and fish stocks. Indeed many species of whales are now extinct because of their harvesting, the whaling industry. We have seen a general decline in the North Atlantic fishery and the elimination and loss of many species, clearly due to direct human intervention through fishing.

Part of the debate already has focused on whether this is entirely offshore or to an extent also inshore. I can tell members that in my own visits to Isle-de-la-Madeleine, to Prince Edward Island, to Newfoundland, it has been very interesting to see in early morning some of the fishing boats coming in, their holds filled with fish, knowing that they have been able to use a lot of very scientific equipment in finding where the fish are and catching them, and the use of radars and sonars and so on.

There is no question here that this is a sport or a hunt. It is a very scientific based activity, to commercially harvest fish stocks and there is a whole economy that depends on that.

But it is a sobering thing to see the extent to which technology has been advanced in perfecting the methods of harvest. That has gone on and on, both inshore and further out, to an extent that we now face this crisis in the Atlantic fishery.

I listened to the minister expressing his views about the need to develop a consensus on the issue, the need to have co-operative multilateral approaches and so on. He listed a great many steps that have been taken.

Last week a new issue came to mind when I met with five members of the European Parliament who were in Canada looking at this question of our east coast fishery. One of the Tory members from the United Kingdom, Bryan Cassidy, asked me why Canada had never taken this issue to the World Court. I had no answer for that. I would like to raise that question in debate here, from one of our colleagues in the European Parliament to fellow parliamentarians here in Canada, to actually ask that question.

We know that the NAFO quotas have been carefully established. We secondarily know that beyond that several European countries, members of the European Community, have gone beyond those quotas. We heard the minister this morning refer to both Spain and Portugal not only catching well beyond the quotas but also using nets with a finer mesh than is legal for them to use and other evidence like this that has been documented.

The question therefore is when there is clear evidence of a violation of accepted international rules, a breach of legal agreements regarding net size and so forth, why has the Government of Canada not taken this issue to the World Court as part of its effort. I think that is an issue that we have to examine more carefully here in Parliament.

I should also report to other parliamentarians here that in this discussion I had with the European parliamentarians several of them had been singularly unaware of lobbying efforts by the Government of Canada to raise this issue of overfishing. For example one of the members, Mr. Henry McCubbin from Scotland, a member of the European Parliament, a Labour Party member, sits on the fishing committee of the European Parliament. He indicated that he had not ever been approached by a representative of Canada with respect to this overfishing issue.

This is important information to put on the record in the Canadian House of Commons because it will cause us to reconsider what new efforts need to be made in bringing to the attention of Europeans the issue of overfishing, working officially and also through party relationships, indeed the need to redouble this effort at bringing the issue to bear. A number of them were thinking of returning to the European Parliament and introducing a resolution there dealing with the overfishing and the abuse by Spain and Portugal of the quota system. This is action coming as a result of concern and conscientious European parliamentarians getting the facts about the cod fishery. I think it is important to see that we in Canada are putting that information out effectively.

One of the issues that the minister referred to, and several others—the member from Saanich, British Columbia was mentioning the seals and their relationship with this depletion of the cod stocks. The minister said that it was important to keep our eyes on the issue and that the seal population and their consumption of fish was not directly relevant to this problem. I would agree with him.

I have here a copy of the Malouf report. This is yet one more in a long series of royal commissions in our country. They seem to be very expensive these days. We are hearing of royal commissions on election law and on reproductive technology in the $20 million to $25 million range. I understand the Malouf report which was completed in 1986 is in something like the $23 million range. What amazes me moreover is that this report on seals and sealing in Canada, a very substantial three volume report, is not well known in the country. It is not well known by many people who are dealing with this issue either in government or in Parliament.

• (1210)

I discussed this situation last Friday night with the premier of one of the maritime provinces. He was completely unaware of the results and recommendations of this $23 million, 1986 royal commission, a commission that in the course of its work had caused 550 seals to be opened up so the contents of their stomachs could be examined. In four of them they found cod so that, in fact, less than 1 per cent of these seals were consuming cod.

Certainly the harp seals in the northwest Atlantic eat a wide variety of marine organisms, including fish, shrimps, other crustaceans and squid. The member from British Columbia was saying that whatever they are eating, they are eating something that is part of the food chain and therefore they are part of the problem. He put it in terms of logic. The same logic could also be used to say that if it is true the seals are eating all of the cod and the cod-related fish in the food chain and the cod is gone, then also the seals must be going. At the same time he is saying the seal population is increasing. We would need a few years to see the trends on this, but if what he is saying is to be treated logically, then we can be witnessing a massive depletion of the seal population in the next couple of years, as they will be starving to death. It will not be the result of any government organized call.

The question about the population is an important one because the minister also mentioned it. My research and looking at these documents show that the Canadian government's own surveys indicate that the harp seal population has not exploded since the European import ban in 1983. There has been really no marked increase between 1978 and 1990 and claims that the number has gone from two million to I think recently the number that the Newfoundland Fishermen's Association has been using of 3.3 million animals since 1983, that kind of increase is based on the unfounded assumption that the population has been growing at a constant rate. I cannot find in any of these reports that I have looked at any data to support that assumption. Certainly Canada's royal commission on seals and sealing indicated that harp seals are migratory and only overlap with the northern cod stock for a few months of the year. More than half of their annual diet is consumed beyond the limits of traditional Canadian fisheries in the northwest Atlantic.

To finish that point, I think that some of the recommendations that are made by this royal commission should be taken to heart by all of us, parliamentarians, government officials at the Canadian and the provincial levels because there is a wealth of good information here about the relationship and how it can be kept in balance.

I certainly believe that resource management is important. Where human intervention has upset the cycle it is important to see that a balance is maintained. On the correlation between the seal population and the fish stocks, there is a lot of information here in this royal commission report that indicates that it is too simple to say, as a number of members do and members of the public do, that the seals really are the culprit. That is using them as a scapegoat.

I just conclude on that point with this from yesterday's *Halifax Chronicle Herald*: "Canada should think long and hard before authorizing an expanded seal hunt which could trigger a ban on fish products in Europe". I think that is a serious and significant view from Atlantic Canada that should be taken to heart on this issue. I would agree with the main point that the minister of fisheries made, that this question about seals is important, but a separate issue from the core concern that is before the House of Commons right now, which is the depletion of the north Atlantic cod stock.

In conclusion, I come back to the point that we should, in addition to the other initiatives that the minister has mentioned, take this issue before the World Court. We must take new initiatives at lobbying with parliamentarians in Europe and elsewhere. Again, I do not see this as a non-confidence vote in the government.

I think that it would helpful to the Government of Canada to have from Canadian parliamentarians a very strong statement about our feeling that the issue is so serious we should take every measure possible and leave no option unexamined or unattended in our response to the crisis that is facing the people, the ecology of the north Atlantic and indeed, on a broader basis, the whole world. This is a global resource. I agree in a sense with the whole spirit of this resolution. We, as one of the

principle countries closest to it, have a role here as global custodians.

Mr. David D. Stupich (Nanaimo—Cowichan): The member questioned my comment on the growth in the seal population. I wonder if he has discussed this with the minister. It was the minister who, at a briefing, I believe on February 20, when hosting a breakfast for a group of MPs, told us that the population had gone from, and I am trying to recall the figures now, two million up to 3.6 million, which is almost a doubling in that period. I wonder if he has consulted the minister about the information he has with respect to the seal population. It seems to be at variance with what the minister has unless he is suggesting that the minister just picked this out of the air.

Also, he told us that out of 550 seals, three had identifiable cod in the stomachs. Can he tell us something about the contents of the others? Were some of them empty perhaps? The reputation that seals have is of eating the cod belly which is soft and easy to accommodate their stomachs rather than the head bone and the other bones.

I am wondering whether there were contents in the stomachs of some of these seals that just could not be identified as to just exactly what they were.

Mr. Boyer: Two questions. The number of 3.3 is the one being used by the Department of Fisheries. There is other information there as well in the Department of Fisheries, looking at projections. I think the numbers game here is always a difficult one. None of us can actually know definitively the numbers that are there. There are some numbers that I think are vastly exaggerated that are being put out as part of the effort to say that the real and only problem here is the seal population as a way of avoiding dealing with the problems of overfishing in the outer fishery, the over-licensing with respect to the inshore fishery, all of these other problems.

My point is simply to say that discussion with respect to the seals ought to be kept in balance in that context and not to make it a scapegoat. Yes, it depends on the season, of course, when one is looking at seals' stomachs to see what kind of food or amount is in there in the season, where they are and so on. I will list the species of fish and invertebrates that were found in the stomachs of those seals. This is in alphabetical order; it is not in the order of quantity.

There is Arctic cod, which is not to be confused with Atlantic cod. There was Atlantic cod which includes the northern cod. There was barracudina, capelin, eelpout, flatfish, including witch and plaice, fourbeard rocklings, Greenland halibut, grenadiers, hake, herring, redfish, sandlance, sculpins and skate. As well, they found that the seals were eating invertebrates as follows: amphipods, crab, decapods, euphauslids, mysids, shrimp, squid and octopus.

• (1220)

The other number that is important to bear in mind when we are looking at this is the notion that the seal population is increasing without any human intervention. Canada in fact still has the largest annual seal hunt in the world. The current quota is some 186,000 harp seals per year and I think last year the number was around 50,000 seals that were killed. That is another number to be kept in bounds as to what is actually happening here.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to ask a specific question of the member for Etobicoke—Lakeshore.

We always hear, especially those of us who live in larger urban areas like Toronto, from the environmental groups whenever there is an international crisis related to the environment. They are always knocking on our doors and telling us about the interdependency of the world that we live in. As members of Parliament, we are always very sensitive to react to the forces and the needs of the environmental groups that exist within our communities. Of course, many of these environmental groups have international linkages that are always educating the whole world on the ecosystem that we are all involved with and living with here.

Does the member not think that maybe it is time that all of us as parliamentarians should turn and challenge the environmental groups of this country and also of the rest of the world to pick up their placards and their systems of communication to put pressure on those countries that are not respecting the ecosystem here, the sustainable development formula and use the same kind of energy on this as they do on other issues?

Mr. Boyer: Mr. Speaker, the answer is yes. To elaborate, the minister himself said that with some NGOs and some environmental groups, his relationship or the

government's relationship may not be the happiest in the world because of the history relating to the seal hunt. He then invited members of the opposition to work with NGOs. In fact, I think it was the member from Newfoundland to whom he mentioned that.

As the hon. member for Broadview—Greenwood raises it, I would fully agree. All of us, as parliamentarians, ought to work with environmental groups that share this concern about the ecology in the north Atlantic to work with this concerted effort to focus on the real source of the problem.

One such organization, and I know it is not one that gets a lot of plaudits around here because of the history related to the seal hunt and so on, is the International Fund for Animal Welfare which has recently organized a fact-finding mission for some European parliamentarians so that they could then go back and work in Europe, not on the seal hunt, but on the underlying cause of the problem, which is the overfishing by Spain and Portugal. Why? Because the International Fund for Animal Welfare understands that the more this problem develops, the more the pressure will come. We are seeing it around here to find a scapegoat. And then it gets back to the whole thing going in reverse. It gets back into the seal hunt and then you get back into the boycott from Europeans and many others of Canadian seal products, of fish products and so on. It is kind of a domino in reverse.

There is one example of where an NGO has been trying to focus on the cause of that problem with some of the people who have something to do about it in Europe.

It may be a good example that we could all cite to other environmental organizations to help become part of the solution here. I think we are past the stage on this issue where we should be adversaries. We should be looking at a global resource and the ways in which it is being threatened. We should try to find the most effective way to have good information. That is important, using that information to work co-operatively and with some force. I go back to even using the World Court as part of the solution to that.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, we are here to discuss the fall-out from environmental lunacy.

Overfishing, the lack of conservation in the north Atlantic, may inflict its initial damage deep within the marine ecosystem, but its eventual consequences are to be found in the devastation of hundreds of Atlantic Canadian communities and thousands of Atlantic Canadian families.

There can be no more vivid example of the absolute interlinking of the economy and the environment than the tragedy before us. While time limitations permit me only to address the environmental consequences of overfishing, it should be understood that the failure to adopt the principles of sustainable development is society's failure, and society must bear the cost.

That means that we have an absolute responsibility to support financially those who have been deprived of their livelihoods and the communities that depend on it.

[*Translation*]

We are here, Mr. Speaker, to discuss cod overfishing, which is depleting an important natural resource of the Atlantic.

For some time, many of us have continually made the connection between the economy and the environment. There could be no better example than the one before us in this House today.

Overfishing in the Atlantic by France, Spain and Portugal is an act of economic and environmental aggression. It has resulted in the collapse of Atlantic cod stocks, the destruction of that region's economic base and the devastation of hundreds of Canadian communities.

With the problem of overfishing, we are only reaping what we have sown. This tragedy should teach us a lesson: never again can we separate the economy from the environment.

[*English*]

The broad issue is that the nations of the world are decimating the fish stocks of our oceans. The specific issue, the nations of the European Economic Community are decimating the cod stocks of the north Atlantic. Canada is bearing the brunt of their folly. The government does nothing. The purpose of this motion which I support wholeheartedly is that the time for action is now.

The good of the global community now demands that Canada take a bold act of responsibility, that Canada take forceful steps now to preserve the straddling cod stocks. We must not allow a modern day tragedy, the decimation of the global commons. If that means unilateral action, then let us not fear to take such action.

It is justified. It is justified morally and it is also justified within the evolution of international law, the development of the economic interdependence of nations, the moral interdependence of the entire ecosystem. A growing international awareness of sustainable development, ecosystem management, and the global economic and ecological interdependence, the interlinking, all point the way for the absolute need for international law to evolve.

Canada must lead the way in pushing for special measures to protect the resources of the Atlantic northwest. Let us be very clear. It is not that we would claim a sole right to harvest straddling stocks on the high seas. Rather, the purpose is to preserve the interests of the international community, including Canada in the conservation of these stocks. These are world resources which are being endangered.

• (1230)

Unfortunately, it has become manifestly clear the preservation of this international heritage will not be accomplished by relying solely on co-operative measures. It is all too clear that these have failed, time and time again over the last several years.

One does not have to look very far for a successful precedent for the kind of unilateral action which we are advocating. In 1970 the Liberal government of the day unilaterally passed the Arctic Waters Pollution Prevention Zone Act. This established functional jurisdiction over a 100-mile zone around the islands of the Canadian Arctic archipelago. Thank heavens we did this.

Today we judge that there are abundant grounds for taking such precautionary action. A basis exists in the Law of the Sea and in international law. International law is flexible and evolving. It is a mistake to think that it is static.

Under the Law of the Sea a coastal state may unilaterally extend fisheries management from its exclusive economic zone to the adjacent high seas if international agreement on conservation measures is not attainable within a reasonable time period. It is essential that we do so to protect this coastal state's preferential right, and that is recognized in international law.

The history of the Law of the Sea illustrates changing notions about the status of the ocean, its resources and claims to jurisdiction over areas shared by sovereign states.

For instance, the freedom to fish in high seas unfettered by state control was once unquestioned. When such notions were prevalent, however, the patterns of fish migration were unknown. The size of world fish stocks was unknown. The subject matter of international law was envisaged only in static, rigid terms.

Today the law must evolve in response to our new awareness that marine resources are, in fact, exhaustible and fluid. Fish move freely and concepts of ownership and possession based on cartography are practically irrelevant in today's world. We must now understand that the ocean's living resources are shared, finite and transient. The unlimited freedom to fish in the high seas must be regarded as an antiquated and outdated concept.

Except where rules emerge from international conferences, someone in this world has to be the first to establish a new paradigm. Unilateralism is an integral part of the evolutionary process of international law. It is not the exception.

That is why Liberals seek extension of national enforcement authority outside of the 200-mile zone. The position that we advocate is well supported. It is well supported first by the objective territoriality or effects principle of international law. This is a recognized basis of jurisdiction, for instance, in the case of criminal conduct. It is an extension of the territorial principle that permits a state to apply its laws to acts committed elsewhere that cause an effect within the state's territory.

Second is the effective administration of justice principle. According to D.P. O'Connell, a Law of the Sea expert, and I quote:

> If a state has the right in international law to make laws with respect to fishery, it would seem to be a corollary of that right that it has the competence to make those laws effective.

That is what we are saying. That is the gist of our resolution, justifications for taking strong action to protect the straddling stocks are evidently abundant.

The Conservative government has ignored these possibilities. It has offered us oceans of Crosbie-like rhetoric. But has it set a deadline by which it will abandon the diplomatic route if it proves ineffective? The answer sadly to say is no.

Has the government announced its plan of action if diplomatic action fails, as it did last year, the year before, and the year before that? The answer again is no. Can Canadians believe the government's stated commitment to resolving this crisis? Unfortunately, from what the minister said this morning, the answer is no.

The issue therefore is what should we do? First, legislation should be prepared to establish a provisional custodial management for the cod fishery outside of the 200-mile limit. This legislation would be defended on the grounds of expert scientific advice which has been received, the principle of sustainable development which is clear, and the legal regime established under the Law of the Sea convention.

Second, Canada should announce conservation measures with full enforcement now, including arrest and prosecution for vessels both within and outside of the 200-mile limit.

Some may well respond to this recommendation for strong unilateral action by saying that force to protect straddling stocks are not optimal courses of action. To that I would respond by saying that passivity, that doing nothing when an important, irreplaceable Canadian and global resource is being depleted is even less than the optimum.

There is only one other alternative to this form of action, retaliatory trade measures and everyone in this House knows that they themselves carry their own consequences. The government option of simply watching the world go by is one that is no longer acceptable.

Third, our intention to enforce fisheries conservation measures outside the 200-mile limit must be heavily publicized both within and outside the country.

Four, the Law of the Sea convention, as my colleague from Alberta so articulately said earlier, should be immediately ratified. How can the world community take our complaints in Canada about ocean management seriously when we have not even ratified the very convention which establishes the ocean management regime? It is the product of nine years of international negotiation, the world's most ambitious and advanced environmental convention—

Mr. Caccia: Which Canada pioneered.

Mr. Martin: —which Canada pioneered, of which my colleague from Davenport was a member of the government which lead it forth. It is simply unacceptable given our current circumstances that Canada has not ratified the Law of the Sea convention.

Five, we should go to the World Court in The Hague to seek a ruling that supports our enforcement of conservation measures on straddling stocks based on our necessity and obligation to preserve these stocks within the 200-mile limit.

It is clear in international law that given the right to enforce conservation within the 200-mile limit we have the right to enforce conservation outside if it is necessary to affect our jurisdiction within.

Six, we should serve notice that we will introduce a proposal in the context of the GATT that countervail trade measures, sanctions, be applied to countries which defy internationally-accepted environmental conventions, including those respecting living marine resources.

Seven, an agreement on the conservation of marine living resources should be the highest priority for Canada at the UNCED conference in Rio de Janeiro. The Minister of Fisheries and Oceans this morning said that that is his intention. We are tempted to applaud, but unfortunately, his words ring hollow.

The Prime Minister has yet to commit to attending the earth summit. If this government really places the highest priority on resolving the fisheries crisis, the Prime Minister should announce today in this House that he will be personally bringing this message to the other heads of state at UNCED.

Let us be very clear, he must achieve more than a mere reiteration of declaration of principles, principles which are already set out in declarations by the G-7 and other international bodies. There must be teeth arising out of the Rio convention.

• (1240)

Eight, the government should seek a commitment to a follow-up conference to UNCED specifically committed to overfishing.

Let me be very clear. Some of the recommendations that I have made are for provisional and limited extension of functional jurisdiction until an appropriate arrangement is developed. Others are more permanent. One thing is clear. We can delay no longer.

Let me quote from the Brundtland commission.

> Traditional forms of national sovereignty are increasingly challenged by the realities of ecological and economic interdependence. Nowhere is this more true than in shared ecosystems and in the global commons—those parts of a planet that fall outside of national jurisdictions—the commission is convinced that sustainable development, if not survival itself, depends on significant advances in the management of the oceans. The underlying unity of the oceans requires effective global management regimes. An international ecosystem approach is required for the management of these resources for sustained use.

These words ring painfully true today to the people of the Atlantic provinces. That is why we recommend unilateral action now. That is why we have brought forth this resolution today. It is the first step on the road to a global solution.

Mr. Speaker, pursuant to Standing Order 26(1), I move:

> That the House continue to sit between one and two o'clock this day, for the purpose of consideration of the motion now before the House moved by my hon. colleague for Burin—St. George's.

The Acting Speaker (Mr. DeBlois): Will those members who object to the motion please rise in their place.

And fewer than 15 members having risen:

The Acting Speaker (Mr. DeBlois): Fewer than 15 members having risen, pursuant to Standing Order 26(2), the motion is adopted.

Motion agreed to.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I would like to ask the hon. member for LaSalle—Émard about the so-called steps to be taken for this functional jurisdiction, whatever functional jurisdiction really means.

The member has heard what the minister said earlier today about what is taking place in the international marketplace and the various things we are already doing.

The minister was in New York this week. Also, a strong representation is being made to the conference which will take place later on this year in Rio.

I am wondering what action the hon. member feels the government is not already taking with regard to the possible outcome of this additional jurisdiction.

He will know that it took years in order to finally get agreement among the countries on the 200-mile limit. There has been a real success about the 200-mile limit. But I am certainly not aware of any precedent of additional jurisdiction outside of the 200-mile limit. How would he propose that we get that support? You cannot do it by yourself in an international marketplace.

Mr. Martin: Mr. Speaker, I welcome the hon. parliamentary secretary's question.

I believe the minister answered it by the contradiction in response to some of the questions of the member for Burin—St. George's in saying that what he was trying to do was to sort of build up enough support around the world for taking the very kinds of actions that we are recommending that he take today. If he thinks he can take those actions in three to six months, why in heaven's name can he not take them now? The damage has been done and these stocks are being winnowed away so quickly that we must take action now. In international law we have the authority.

The member asks what we can do. First of all, let us ratify the Law of the Sea convention. It is the strongest body of international law that we have with us. Article 63 of the convention talks about stocks occurring within the exclusive economic zones of two or more coastal states. Article 63 talks about straddling stocks, it talks about the right of a state to protect for ecological and for economic reasons its own coastal interests. The Law of the Sea convention gives us the authority.

For heaven's sake, why will the government not ratify it?

It is a clearly established convention of international law. The Oceans Institute at Dalhousie has written extensively on it. It says that where you have the authority to preserve a stock within a 200-mile limit, you have the right to go beyond the 200-mile limit if that is

the only way you can preserve the stock that exists within it. It is clear in international law and we should be going to the World Court.

If you take a look at the evolution of international law, it has happened consistently as a result of either international conferences, which according to the minister are failing, or because of unilateral action taken by individual states. Canada has done it, the United States has done it. It is one of the fundamental tools, because the world is changing.

The problem is that the current government is so rooted in an archaic view of inter-dependence, it is so rooted in an archaic view of sustainable development, which the rest of the world is now supporting, that it fails to understand the tools it has at its disposal.

In summary, very clearly: (1) ratify the Law of the Sea; (2) exercise your full rights under international law; (3) take an action in front of the World Court; (4) the government must examine the alternative between trade retaliation or enforcement and prosecution on the high seas. Other states have done it. The time has now come for Canada to stand up for its own rights and for the rights of the global commons. We are not simply talking about Canada, we are talking about a global resource and we have a responsibility as a developed nation to protect it.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, what has become clear in the course of this debate so far is a problem the government has with functional jurisdiction, as put on paper in our motion.

We have already dealt with that briefly earlier in this debate and I am sure that my distinguished colleague, the member for Winnipeg South, in his intervention will explain to the government benches the potential and the history of functional jurisdiction.

What we are saying in essence with this motion is that we can draw from the model, the experience and the history established in the 1970s when Iceland took an initiative that we are proposing here today.

As recently as two or three weeks ago, this initiative was recalled by Judith Swan, the executive director of the Oceans Institute of Canada, when she said on CBC Radio: "Canada could extend its fisheries jurisdiction to the outer limits of the Grand Banks and enforce its regulations on all fishing vessels in the area.

• (1250)

Retaliation by foreign fishing countries is a clear risk. They could attempt to ignore the new jurisdiction or take the case to the International Court of Justice. Canada could stand its ground in such a case that this country would show a scientific basis for its action and point to the danger of permanent depletion of the stocks. The empty results of years of attempting to halt foreign overfishing would then become an argument in our favour."

This is what was said by a scientist who spoke from the Atlantic coast on the CBC.

Obviously an initiative like this is not common and would be particularly looked upon with disdain by bureaucrats in the Department of External Affairs. That is nothing new, however. The issue has reached a point in its development which requires political action.

My colleague from LaSalle–Émard has very clearly put forward a many-pronged political initiative in his intervention earlier. As he also pointed out, the credibility of the Government of Canada is impaired so long as it refuses to ratify the Law of the Sea for the very clear reasons that my colleague made when he pointed to section 63. It is all in there.

I hope that the Parliamentary Secretary to the Minister of Fisheries and Oceans and the minister have a clear understanding of the potential offered in the concept of section 63.

How can we go to the international community and say that we want to have international action to protect the stocks if we do not ratify an international piece of legislation which has been ratified by 43 nations but which requires 60 nations' ratification in order to become operative? That is where the problem lies.

Very recently, Brazil, another coastal nation, has ratified it. Canada's ratification would send a very important signal to the world community if it were to do the same. The time has come for the Minister of Fisheries and Oceans and for the government to bite the bullet and to move in that direction, considering the fact, as the member for LaSalle—Émard said earlier, that

Canada was a pioneer in the phase leading to the signature of this document.

This document requires two steps: a signature and the ratification. Where we are wanting is on the ratification side.

This example of the fisheries is the first tangible, dramatic, social, economic example of unsustainable development. We have reached that point with the fisheries. We are beginning to understand it. We can see the social consequences on the population affected.

Do not forget that 20 or 30 years ago the people living along the coast of Scotland depended on the fishing of herring. Those stocks have disappeared and those communities have suffered considerably. We do not want to see that problem repeated in our communities, in our coastal regions. We should learn from that experience in order to prevent this from happening in Canada.

Unsustainable development is one side of the coin. We have to learn ways therefore, to make this development sustainable for future generations. The problem has been accelerated and compounded by the innovation of the trawler ships fishing the Grand Banks by many nations, including Canada. That has had a large impact on the fish stocks, much larger than anticipated.

Two years ago, Dr. Leslie Harris reported to the Minister of Fisheries and Oceans on the state of the northern cod stocks.

For instance, the report pointed out that to ensure the survival of the cod stocks, measures needed to be taken and still need to be taken. I quote an observation that Dr. Harris made: "A very determined effort to restrict or eliminate the actual catch of cod by foreign vessels operating under Canadian licence within the 200-mile zone and the determined Government of Canada initiative either to bring the entire Canadian shelf under Canadian management or to reach an effective international agreement that will curb the irresponsible and destructive activities of certain countries fishing the nose and tail of the bank is required."

Among the report's recommendations, Dr. Harris said: "That the Department of Fisheries and Oceans review its management structures and approaches with the end of establishing a more focused and co-ordinated approach." That is an internal, perhaps structural matter.

He went on to say that: "The Government of Canada must be convinced of the imperative necessity of regulating, through agreement or otherwise, foreign fishing pressures upon northern cod".

It was two years ago that Dr. Harris recommended taking specific action.

The Acting Speaker (Mr. DeBlois): I apologize to the hon. member, but I did not receive any indication of whether he is speaking for a maximum of 20 minutes or whether he is splitting his time with other members. I would appreciate if he would give some indication to the Chair.

Mr. Caccia: I am splitting my time and I will be glad to yield to my colleague from Bonavista—Trinity—Conception.

Mr. Mifflin: I was going to ask a question of the hon. member.

The Acting Speaker (Mr. DeBlois): A five-minute question or comments period. I ask your collaboration, the hon. member for Davenport has two minutes left.

Mr. Caccia: Mr. Speaker, I will stay within the limit you have indicated and I appreciate your kindness.

To compress it and to conclude and also to go back to the statement made earlier by the minister, it seems to me that at this stage in developing a strategy for Canada the government, when planning our position for UNCED at the conference in Rio next June, instead of promising to raise the issue and moving along with a certain resolution, should instead use that forum to defend the unilateral extension of Canada's fisheries jurisdiction. It should defend it as a practical and indispensable step to ensure the sustainability of that resource.

I am quite sure we would have the weight of the majority of world opinion on our side. We would send a signal to the world community that conservation of global resources is a priority for Canada, that we recognize the global significance of this resource, as my colleague from LaSalle—Émard stressed at the conclusion of his remarks.

In other words, we have to take an initiative that will move and shake up the world community in the wake of the recognition that we can no longer effectively manage a biological resource according to artificial political

boundary lines. That point has been reached, and as the member for Burin—St. George's told us earlier, the chickens have come home to roost and we have to draw our conclusion.

• (1300)

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I want to make both a comment and ask a question of my hon. colleague from Davenport.

I watched with interest his reaction to the thought that it would be out of the question, it would be bizarre, it would be improper international behaviour, to consider such an act as is being proposed by this very sensible motion, and specifically the part of the motion which says: "to extend functional jurisdiction to the nose and tail of the Grand Banks".

I would say that the hon. member for LaSalle—Émard made probably one of the best and the clearest statements about how this is possible in international law and I was delighted to hear it and I have indicated that to him. It is a precedent in international law that when your livelihood is being threatened or if there is a good reason, then this is a step that can be taken and, indeed, has often been taken. You have heard me speak, almost like a broken record, on this subject, Mr. Speaker. I am delighted for him to hear it from other colleagues.

From the ecological viewpoint, I have the greatest respect for my colleague from Davenport. I think he has added that dimension to this tragic situation that we see ourselves in.

Everyone has his own opinion on how this can be done. The hon. member relates it to what has been done in the past, but I wonder if the member would share with us, from his considerable experience in things international like this, what his interpretation is of the way this action can take place?

Mr. Caccia: Mr. Speaker, I want to thank my colleague from Bonavista—Trinity—Conception for his intervention.

On the question of functional jurisdiction that we are proposing, which is a technical term but which in essence means that Canada has jurisdiction on the management of a resource that affects its economy because it is in proximity of our coastal lines and because of historical reasons. The position of the government, it seems to me, is weak.

I detect from the speech of the minister of fisheries a certain hesitancy, a certain fear and also a lack of historical knowledge from which he actually could draw, not only inspiration but also the necessary determination.

The most recent example was given by Iceland less than 20 years ago. It is a small nation which decided one day that it had to defend its economic survival by asserting its jurisdiction over its fish resources. It is clear in the memory of the international community.

This then leads me to answer the question by my colleague, to the effect that if one were to attempt to give an interpretation as to what might be the reaction of the international community, I would be inclined to suggest that world opinion would be on our side. It would be on our side for the very simple reason that the thinking of the public which has been educated, which we all have been in recent years by the report of the Brundtland commission, *Our Common Future*, the understanding of the management of common resources globally, would be such that it would applaud Canada for having taken such an initiative.

All that is needed at this point is the political will to act, to take certain risks, but to take a strong stand and give leadership in the international community. This is what we are expecting the government to do.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I am privileged and honoured to rise on this motion today, a motion to extend, among other things, the functional jurisdiction to the nose and tail of the Grand Banks.

I say, in all sincerity, that this is probably the most important day that I have spent in this House of Commons. This is a parliamentary debate on a subject that is very important to all of us here. It is particularly important to me because I represent so many people involved in the fishing industry. With 57 plants in my riding and the livelihood of a large part of those who are involved and those for whom I am responsible that rely on the fishing industry, it is so germane and pertinent to the points that are being made here today.

As I reflect on what I have heard here today, both from sitting in the House and watching on the monitor in my office, there are five points that strike me and I would like to share them with you.

The first point is related to the facts, not interpretation, not political rhetoric, not speeches, not political will, but the state of affairs as it exists today.

The second point I am struck with is the response of the hon. minister of fisheries. His response on what could be done, what should be done, what might be done, and in particular why he did not feel that he could vote for this motion. I will comment on that in a few moments.

The third aspect that I was struck with is the talk that is going on, and I have related to what has happened, what has been the result of all this.

The fourth aspect is the tone of the presentations in the House itself.

The final thing is, where are we after all is said and done?

Let me start with the very brief facts, Mr. Speaker. Before I do that I want to make some definitions clear. I am talking about foreign overfishing outside the 200-mile economic zone of Canada. I am talking about not just northern cod. I am talking mostly about cod, but I am talking about groundfish as well that are processed in Newfoundland and Atlantic Canada. I am talking about the nose and tail of the bank, which are those two parts outside our economic zone.

The nose, which is like a segment of a circle, is about 60 miles long and the furthest part of the circle comes out to about 40 miles; the tail is about 100 miles long and the segment goes out to a maximum of about 60 miles. It is not a very large part of the ocean, not a very large part of the continental shelf. But large enough, that in the spring of this year it holds 10 per cent of the biomass of cod in that area. In previous years on record it was 5 per cent, and in one year it doubled.

Whatever is happening there, a lot of fish are hanging out there. And it is very important that we zero in on this. This is what we are doing today.

The fact of the matter is that plants are closing, trawlers are being tied up, inshore fishermen have their nets empty and people are without work. The fact of the matter is that foreigners are illegally catching more and Atlantic Canadians are legally catching less. The fact of the matter is that if we had the 380 million pounds of fish that was caught by foreigners last year we would be able to open all the fish plants that were closed in Atlantic Canada.

The fact of the matter is that the fishing industry is on the verge of decimation. The fact of the matter is that people are being alarmed, there is a human face on this. Those are the facts. I think most of that was put on the record by the hon. member for Burin—St. George's who spoke very eloquently on the subject.

The second point that I was impressed with today was the response of the hon. minister of fisheries. I thought he gave a fairly good statesmanlike presentation, but certain parts of it had what I would call "statesmanlike weasel-wording". The minister acknowledged, in my mind—this is my interpretation of what he had to say—that something could be done about this. But he seemed to believe that the timing of it was more important than the principle. He gave us a litany of what has been done. He also said that while he seemed to like the motion, that because it was a non-confidence motion he believed that he would not be able to vote for it, or would not be able to advise his colleagues to vote for it. The minister of fisheries has been around this place longer than I have been and he knows that with the stroke of a pen or an amendment this can change. So I do not buy that, quite frankly.

• (1310)

I am saying that this is a motion which will allow his government to put in place action to stop this problem and put an end to all that is going on, not next year, not in six month's time, but now. Now is when we need the action. The minister has said he believes it can be done. He believes in the principle but he does not believe the time is right.

The third point I want to mention is, what has happened with all this talk, all the litany of things that the minister has spoken about? Nothing. In fact, the more we speak, the more the foreigners overfish illegally. There is a direct proportion to the diplomatic action and the overfishing. This year, 47,000 tonnes of northern cod alone were caught illegally, 40 per cent of what all Canadians caught legally. That is what is happening with the diplomatic talk.

Portugal says: "I do not see that they have a problem". Spain says: "Canadians are catching too much anyway". They are throwing it back in our face. We are the laughing stock of the European Community because we are not doing the things we should be doing. So that is where we stand.

The fourth aspect of this is the tone of the debate today. The minister of fisheries says this is not a national sovereignty issue. Well, I beg to differ. There are 8,000 people being affected by this in Newfoundland alone. There are 32,000 people in the industry, so that makes 25 per cent, 25 per cent of the automobile industry in a province, 25 per cent of farmers, 25 per cent of textiles. If that is not a national sovereignty issue, what in the name of God is? It is national. Look who got up and spoke today. We have had speakers from British Columbia to Newfoundland. We have had my hon. colleagues from the prairies, from Ontario, from Quebec. And we will have speakers from every one of the Atlantic provinces. If this is not a national sovereignty issue and if this is not something that preoccupies this House as a national subject, given the range of speakers and where they come from, I do not know what is.

Where are we left? Where are we with all this? With the speeches, with the talks and with the litany of action that the minister has promised, with the United Nations conferences and the speeches that are being prepared for ministers who will speak here today, where are we?

A picture is worth a thousand words. In the first two minutes of the speech of the hon. member from Burin—St. George's today he mentioned two graphs, one with foreign fishing going up with time and one with national, legal fishing going down. That is what is happening.

So what we are left with is a motion that both sides of the House agree is doable. It is recognized. There is precedent for it. We do not disagree on the principle. We are disagreeing on the timing. We have the evidence. We have the agreement on the principle, so now we are down to one little itsy-bitsy thing, the timing.

The solution is there, we are waiting for the time. When is the time going to be right? If you come to a brick wall and it is in the way of your goal, you butt your head. If that does not work you use a hammer. If that does not work you use an axe. If that does not work you use a sledge-hammer. If that does not work you might have to get a bulldozer. You may have to pay for it. You may have to pay a man to work on the bulldozer. That is the price you have to pay.

We may have to pay a price for doing what I am suggesting and what has been suggested by this motion that we do. I have no doubt that we will, but the price will be worth it because national sovereignty, the face of this country, the livelihood of people are at stake.

What are we waiting for? How many more anxious faces do we need to see? How many more fish plants and processing plants do we have to see close? How many locks on gates do we have to see? How many more mayors of communities have to come to my office here in Ottawa and my office in Bonavista? There is one sitting there right now. I would suggest, no more, no more time, we must do it now.

I am saying this government should have the political will to act now to extend the functional jurisdiction so that we can put an end to this difficulty that will, if we do not do something, cause the end of the fishing industry and the dignity and the livelihood of those people involved.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the hon. member for Bonavista—Trinity—Conception has a history of involvement with the fishery that perhaps no other member of this Chamber has.

We have witnessed in the last month one of the largest fish plants I suppose in Atlantic Canada close its gates just a short distance from where the hon. member grew up and who is so intimately involved with the fishery. If there is one person who knows the industry as an industry, that is as a business, it is the hon. member who just spoke, and his family too.

I want to ask him to elaborate on this fact that right within a gunshot, as we would say, from his home where he grew up, the only employer either just shut its doors or is about to shut its doors. Could the hon. member tell us how many people are involved?

Mr. Mifflin: I thank my hon. colleague from Gander—Grand Falls for giving me the opportunity to get into this kind of detail because a 10-minute presentation does not allow it. The hon. member is right and I do thank him for his comment.

The processing plant on the border of Catalina and Port Union is the largest and the most up-to-date processing plant in Canada. It is owned by FPI and it was built not that long ago. FPI and in fact all of Atlantic Canada boasted that it was probably the most modern in

the world. The maximum depends on the season, but the plant can employ up to 1,200 workers.

Now 1,200 workers on the Bonavista peninsula, and I represent 250 communities, that plant services about 75 communities, some more than others, some less than others. But the hub of the area if you like, the towns of Bonavista, Catalina, Port Union, Melrose, Elliston, Newmans Cove, Kings Cove, Trinity, Port Rexton and I could go on, up the peninsula every community is affected by it. Not just the worker, the fishermen, the trawlermen, the plant worker, the family of the plant worker, the corner store.

To put another end on this, I spoke with a businessman in St. John's, Newfoundland, who was a director of an organization called Atlantic Building Materials. It is a hardware building store. He said: "We can tell you how good or bad the fishery is by looking at our volume of sales." So it is not just the corner store, the Foodliner, Foodland or Sobey's store that is affected. It is the big stores, the hardware stores that sell building materials, the gas stations, the provisioners. The main provisioner in my riding in Carbonear is affected by this. I speak to them, I know.

So you can imagine and you can perhaps forgive my somewhat unusual—not antagonism, but frustration if you like, which I share with hon. members on this side of the House and I think, to a certain extent, on that side of the House, when your brother and sisters and brothers-in-law and cousins and friends, today, as I stand here, do not have jobs. They are not sure when they are going to have jobs, how long they are going to have jobs this year and God knows what is going to happen next year.

This is the human face. This is what is involved and this is what we have to put an end to.

[*Translation*]

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, I welcome this opportunity today to address the issue of the 200-mile limit and the pillaging of resources in that area.

Mr. Speaker, I will share my speaking time with the hon. member for Fredericton—York—Sunbury, and I might speak for just a bit more than 10 minutes.

• (1320)

I would like to acknowledge the depth of concern expressed by the hon. member for Burin-St. George's in his motion concerning the pillaging of transboundary fish stocks off Canada's east coast and the possibility of extending Canada's functional jurisdiction in an effort to combat the problem.

His sincerity in raising the issue is beyond question. However, sincerity alone will not carry the day. The government must deal in facts. As you know, the February 1992 report of the Canadian Atlantic Fisheries Scientific Advisory Committee on the state of the northern cod stock revised downward the estimates for the over-all biomass and for the age seven years and older biomass. The over-all biomass level is thus estimated to be at approximately the same level as in 1980 and the spawning stock biomass level to be slightly below that in 1979.

In each of those years the TAC was set at 180,000 tonnes. The CAFSAC report went on to state that 1992 catches for the first half of the year should be restricted to the lowest level possible. CAFSAC will provide advice in July for the remainder of the 1992 fishery.

In recognition of the current state of the northern cod fishery, the Minister of Fisheries and Ocean introduced, on February 24, a conservation ceiling for managing the resource. The ceiling of 120,000 tonnes for 1992 represented a 65,000 tonnes reduction in the total allowable catch for northern cod and was announced as part of a six-point program.

The first point concerns management of the fishery. CAFSAC recommended that the catch during the first six months of 1992 be reduced to 25,000 tonnes, about half the level for the same period of 1991. This measure was adopted, effectively ending the winter fishery by offshore trawlers in Divison 3L. Other measures to conserve the stock will be worked out in consultation with industry representatives as events unfold.

In view of the reduced state of capelin stocks, upon which northern cod feed, the offshore capelin fishery in the Canadian zone in 1992 has been closed. Harvesting of cod by offshore trawlers during peak spawning periods has been banned. Fisheries, where cod is a by-catch, can be undertaken during the first half of 1992, provided this by-catch remains within acceptable limits.

The traditional inshore fishery will continue to operate without limits on catches, and this is important, Mr. Speaker. Larger inshore vessels operating in offshore areas will have catches restricted. In September, further limits will be placed on the fall offshore fishery, as necessary, to ensure that Canadian catches do not exceed 120,000 tonnes. These measures do not reflect traditional management patterns for the northern cod fishery. However, they fit the exceptional circumstances confronting us at the moment.

The second point has to do with protection of individuals and communities. The immediate effect of the problems with 2J3KL cod will be lay-offs of offshore plant workers and trawler fishermen. With very few exceptions, these individuals will be eligible for unemployment insurance. This will provide reduced but on-going incomes for them until the time when a fall fishery would be prosecuted, if they are not engaged in other harvesting or processing activities in the interim.

Fisheries and Oceans has begun work, in conjuction with other departments, to identify measures to meet the needs of those affected this year. They will soon be in contact with fishing companies, unions and provincial governments in this regard. However, the nature and extent of assistance needed will depend in large measure on the results of the fishery for the remainder of this year.

What can be stated now is that assistance will be extended to affected individuals and communities where this is needed. This could consist of an extension of measures under the Atlantic Fisheries Adjustment Program and the Quebec Federal Fisheries Development Program. We must not forget that the problems we encounter in Atlantic fisheries also exist in the Gulf of St. Lawrence and, of course, the St. Lawrence itself.

As you know, Mr. Speaker, the Atlantic Fisheries Adjustment Program was introduced in May 1990 to help ensure a viable fishery for Atlantic Canadians. AFAP takes the form of a package of policy and program initiatives aimed at rebuilding fish stocks while helping fishermen, fish plant workers, and communities in Atlantic Canada adjust to the impact of reduced fishing quotas. These reductions have caused disruptions in employment and income stability. AFAP initiatives are intended to help bridge the gap to sustained levels of employment and higher incomes as stocks rebuild. The range of operational activity required to successfully implement such a comprehensive program has been extensive.

In addition to this program, Mr. Speaker, the government launched in the summer of 1990, the Quebec Federal Fisheries Development Program following a series of consultations with fishermen, processors and other interest groups. The over-all goal of this program is to ensure the long-term viability of the fishing industry, while providing help to workers and communities in fishing regions. The Quebec Federal Fisheries Development Program has four operational components: marketing, processing, harvesting, and research and infrastructure.

While much remains to be done, there have been significant achievements since the inceptions of these programs. These include: new inputs to the stock assessment of nothern cod; major extension of our surveillance and enforcement activities, resulting in increased compliance with all aspects of fisheries regulations by both domestic and foreign fleets; direct payments to fishermen and plant workers affected by catch failures and plant closures; financial assistance to individuals and companies for diversification initiatives both within and outside the fishery.

The minister will soon announce members and terms of reference for a task force on the income and adjustment problems facing individuals dependent on the Atlantic fishery. This task force, to be composed of industry and union representatives, will be appointed in the coming weeks, Mr. Speaker. It will have a broad mandate and the full support of federal departments and agencies in its work. It can play an important role in charting the course ahead after 1993.

Mr. Speaker, the third point is foreign overfishing. The Prime Minister recognizes the gravity of the problem and will be pressing European leaders to take measures without further delay to abide by decisions of the Northwest Atlantic Fisheries Organization, including the moratorium on catches of cod in 3L outside the 200-mile zone.

Representatives of the European Commission and member countries of NAFO were recently briefed on the Canadian position on foreign overfishing. This government, Mr. Speaker, is placing high priority on the issue of foreign overfishing. Just this week, the Minister of Fisheries and Oceans went to New York City to meet the Secretary-General of the United Nations Conference on Environment and Development to stress the importance Canada places on conservation of marine resources.

We hope to place it on the agenda at the earth summit conference of world leaders in Rio de Janeiro in June. Canada will call for a follow-up conference to deal specifically with the high seas fisheries. At Canada's request a special NAFO session will be held in May to focus on effective control measures outside the 200-mile zone to ensure that catches do not exceed NAFO decisions.

In the next two months, the minister will be travelling to Cuba, Norway, Russia, Poland and other NAFO contracting parties to reinforce this position.

Concerning non-NAFO fleets, Mr. Speaker, there have been encouraging signs very recently that the problem of Panamanian and Korean fleets may be approaching an end, including commitments by the Korean government regarding their vessels now operating outside the 200-mile zone. While we are making progress, this government recognizes and shares the frustration of those in the Atlantic fishery that see these and other activities undertaken against foreign overfishing, but with little in the way of concrete results. This cannot go on.

There are those who say Canada should take immediate steps to extend its functional jurisdiction to the nose and tail of the Grand Banks. But, as the minister said recently in London and Tokyo, all avenues available to us must be explored if we are to achieve tangible progress toward ending foreign overfishing.

• (1330)

Other measures, including unilateral measures, will be contemplated only after all other options are exhausted.

The fourth point concerns Canadianization of underutilized species fishery. To alleviate harvesting pressure on northern cod and other traditional species, the government is encouraging the development of new fisheries.

While foreign allocations will not be eliminated, they will be reduced to a minimum.

Soon, Mr. Speaker, the Minister of Fisheries and Oceans will be announcing the approval of industry proposals to harvest underutilized fish stocks. This will increase employment in fish plants and will diversify and add value to Canadian seafood products.

In addition, we will soon be establishing an advisory board on the use of foreign vessels and foreign allocations within the Canadian zone. This board will be composed of persons from outside government who are knowledgeable with respect to the Canadian fishing industry. The board will operate in a manner open to the public and will have a mandate to provide advice as to what is in the interest of Canada.

The fifth point deals with scientific research. There is a need to restore confidence in the reliability of fisheries resource assessments. To do this, we need to integrate into the process the experience of fisherman, inshore and offshore. Scientists analyze the inshore catch-and-effort data and collaborate with inshore fishermen in studying ocean conditions. At the same time, scientists invite fishermen on research cruises and accompany them on commercial trips.

Industry has proposed that special scouting charters be undertaken to identify concentrations of northern cod, and to provide further information on catch rates and stock availability, particularly in divisions 3K and 3L inside and outside the 200-mile zone. The minister has asked the department to make the necessary arrangements for these scouting charters.

Fisheries and Oceans is committed to a further major increase in research on cod inside and outside the 200-mile zone. Important initiatives will focus on oceanographic factors—such as water temperatures, salinity and currents—which influence the migration of cod and capelin, and may also contribute to the mortality rate.

The sixth and last point, concerns control of the seal population. The population of harp seals off the east coast is estimated at 3.5 million. This is a substantial increase from the estimate of two million made by the Royal Commission on Sealing in 1985.

As you know, Mr. Speaker, until now, measures to control seal populations have been constrained by concerns regarding possible effects on markets for fish products arising from anti-sealing groups. However, representatives of the fishing industry have been unanimous in their advice that, notwithstanding the concerns with respect to markets, measures should now be taken to start bringing the seal population under control.

The Government of Canada is committed to the rational management of all marine resources based on the principles of conservation and sustainable development.

In conclusion, I would like to point out that the establishment of a conservation ceiling of Canadian catches for 1992 of 120,000 tonnes, in effect a TAC reduction of 65,000 tonnes, is a severe mesasure. It goes beyond the 25,000-tonne reduction suggested by CAFSAC because, in light of the circumstances, more stringent measures to protect fisheries resources are needed.

The management arrangements for 1992 that I have described are of an interim nature. Other measures to improve our understanding of the resource, especially predator-prey relationships and oceanographic factors, will be pursued urgently. Many details have to be worked out. This will be done in co-operation with the fishing industry, unions and provincial governments.

The Acting Speaker (Mr. Tremblay (Québec-Est)): I understand that the hon. member for Gaspé is sharing his time with his colleague, the hon. member for Bonaventure—Îles-de-la-Madeleine. But before that, I will give the floor to the hon. member for Malpeque for questions and comments.

[*English*]

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I have listened with interest to the hon. member. I have a question for him but before posing the question I would like to make a couple of comments.

I am very pleased today to support this motion before us because foreign overfishing is costing Atlantic Canadians thousands of jobs. In the Atlantic provinces the fisheries employ over 100,000 people. That is a lot of jobs. On top of that, they employ roughly 8,000 in coastal Quebec.

Foreign overfishing is a very serious problem and it is one that the federal government has to address now. The fact is that while Newfoundlanders and other Atlantic Canadians are losing their jobs, foreigners are fishing hundreds of thousands of tonnes of fish off our east coast far in excess of the quotas that have been set for them.

This government's lack of action in this area is hard to understand. It simply ignores the needs of Atlantic fishermen.

Another example of ignoring the needs of fishermen is in a recent proposal to change the boat safety regulations. This is a proposal which is causing a great deal of concern to fishermen in my area, Prince Edward Island, because these new regulations call for fishermen to equip their boats with life rafts, with survival suits for each fisherman and with a second set of running lights.

I know that all fishermen would agree safety is the primary concern. There is no question about that. Most fishermen are happy to abide by sensible safety regulations. I underline the word sensible because this proposal does not make sense in a lot of situations. Why would an oyster fisherman be required to carry a life raft in a boat that is too small to hold it in the first place?

I use that as an example to illustrate how out of touch this government has become with the needs of fishermen.

Would the member agree with me that government's lack of action now in dealing with the whole issue of foreign overfishing simply demonstrates the government's lack of concern for fishermen in Atlantic Canada?

An hon. member: Hear, hear.

[*Translation*]

Mr. Marin: Mr. Speaker, I understand the frustration and the conflicts which can arise in fishing communities where resources are increasingly scarce. It will be hard for me to agree that the ultimate responsibility lies with the government, whatever it is, for inaction.

I would take this opportunity, Mr. Speaker, to thank my colleague who asked the question. She is getting up to leave the House before I have answered her.

It is very important to realize that what is happening now in the fisheries is not the government's fault. It is the fault of a system which for years has been very poorly supervised. When we talk about overfishing by foreign boats inside or outside the 200-mile limit, we must not forget that Canadians also overfished in those areas. We must not forget that when we wanted to restrain the increase in the number of seals, these same people who are telling us that it is the government's fault were there telling us to do nothing.

I believe it is a biological phenomenon which is very hard to control and honestly I cannot believe that it is my government's fault if the resource within the 200-mile limit or the Gulf of St. Lawrence is at such a low level.

• (1340)

In any case, I would ask the hon. member who asked me the question to read the notes, since she left the House before I finished my statement.

The Acting Speaker (Mr. DeBlois): Resuming debate. I am quite prepared to recognize the hon. member for Bonaventure—Îles-de-la-Madeleine, but I would point out to him that five minutes remain of the 20 allocated to his party. The hon. member for Bonaventure—Îles-de-la-Madeleine.

Mr. Darryl L. Gray (Bonaventure—Îles-de-la-Madeleine): I do not know if five minutes will be enough, Mr. Speaker. I would prefer to have 10 minutes, as someone who has chosen to live in the Magdalen Islands. In any case, I will try to make my point as briefly as possible.

[*English*]

I had the privilege a few minutes ago to meet with Mr. Cashin and the Minister of Fisheries and Oceans. Without speaking on behalf of the minister or on behalf of Mr. Cashin, one thing that we did agree on is that problem of the northern cod should not be a partisan political area. We should work together on it.

I am sure I will get agreement from the other side of the House that there are three problems. First, there is the problem of northern cod on the nose and the tail of the Grand Banks. That is, the problem with external affairs in the foreign fishing. Second, there is the problem of our overfishing in our own waters, which has been addressed to the satisfaction of some fishermen but not to others. Third, there is the problem of our seal herd.

I get very touchy when we talk about seals. I am an old seal hunter. I believe that with the herd of seals we have in the Gulf of St. Lawrence and off Newfoundland, off the Madeleine Islands, after having met with Mr. Cashin and the minister of fisheries, we have to go through, like it or lump it, our external diplomacy, international etiquette, call it whatever you wish. It is frustrating for the fishermen, but we have to do that. We cannot run out with the gunboats.

Even from a Madeleine Islander's point of view, I would hope that Newfoundlanders would not go out with their fishing boats and lose their lives to try to make an example of a Portuguese or a Spaniard who is over there fishing. I would hope that we could have a little bit of patience and see what will happen.

I am assured that the Minister of Fisheries and Oceans, with the good advice of Mr. Cashin and other Newfoundlanders, will take appropriate action if we do not get action from the foreign side.

Regarding the restraint that has been asked of the fishermen with the reduction in the quotas, the government side has had to be responsible for the loss of revenue of the people involved. If it is not good enough it should be improved. Again, I would ask the opposite side and my colleagues in the government that we make it the least painful as possible for the fishermen.

In the four minutes that I have left I wish to talk about seals.

[*Translation*]

When I was elected on September 4, 1984, I met with my friends, the Magdalen Islanders, who told me that under the former government—and I am not getting into partisan politics here, Mr. Speaker—they said to me, "How come those damn Greenpeacers are shocked, which means that we will lose money because we can no longer hunt seals?"

I took a stand in 1984 and I have not changed my position since. I fully agree with the seal hunt. We should never forget that hunting seals, just like hunting deer or moose in Newfoundland or Labrador, or hunting partridge or whatever is an important activity. It is very

important income for people both in the Magdalen Islands and in Newfoundland. What is even more important for us in the Magdalen Islands, is that we have a system whereby every ounce of liver and of seal meat can be used. We can take every ounce of oil and process it and it will all go on the market.

[*English*]

I am a former farmer. I did slaughtering on my barn floor. You go to a slaughterhouse for pork or chicken, nobody worries about it. They hang the pigs up, cut their throats and they bleed to death.

They have a reasonable harvest of the seal herd. There is no problem, and I would hope for the environmentalists and for the Greenpeace people and the hon. member for Gander—Grand Falls from the other side of the floor will support me in this, to do a reasonable harvest of the seals, we will bring more money to Newfoundlanders, more money for the Magdalen Islands, have a good economy and we will not hurt the environment because the seals are hurting our northern cod stocks.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I listened with interest to the hon. member's intervention here this afternoon.

Can the member help me out here a little bit? Given that there has been a charitable action by the minister of fisheries with the stroke of a pen to issue licences to other countries to enter our waters, to fish in our waters, to rob the livelihood of those who depend on the fishery, given that kind of charity, I ask first whether the member could tell me: would he not agree with me that charity should begin at home?

The second question is: Can the hon. member opposite tell me what other country on this entire planet allows foreigners to jump on their vessels and go into the waters of other countries and to fish in those waters? Can he give me that figure?

Mr. Gray (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, I thought one of my principal points when I was making my statement was that we would try to keep this non-partisan.

I guess my hon. colleague does not want to keep it that way. I will say one thing. Having been in the House of Commons for seven and one-half years and regardless of political stripe, the thing that angers and ires me the most is to hear downtown metro people talking about seals from Newfoundland or the Magdalen Islands when they do not know what in the hell they are talking about. I do not like it.

If they want to be partisan, I will give an answer. When talking about overfishing, I do not set the rules, you do not set the rules. International law and international trade are things that have been established, but when it is said that we are giving licences to foreigners to the detriment of our own people, there is not a Conservative government, there is not a Liberal government, there is no other government that does not look after the rights of Canadians.

We may differ how we look after them, but the insinuation that the hon. member makes that we are looking after the foreigners and not looking after Canadians gives dishonour, not only to the hon. member, but also to his party.

[*Translation*]

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I have a very short question for the hon. member for Bonaventure—Îles-de-la-Madeleine. I have been in his riding, both in winter and summer, to watch the seals and visit the Magdalen islands with their typical island economy. I would like to ask a very short question about the role played by seals in the islands' economy, since he said this was very important. I agree with what he said, but one of the recommendations of the Royal Commission on Seals and Sealing in Canada—

[*English*]

In the report of the Royal Commission on Seals and Sealing in Canada recommendation 39 states: "The non-consumptive use of seals such as the viewing of seal herds should be encouraged subject to appropriate regulatory measures to protect the animals and their habitat".

• (1350)

[*Translation*]

I would like the hon. member to comment on ecotourism, a new dimension of his riding's economy, because I am sure it is a very important factor.

Mr. Gray (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, I want to thank the hon. member, who has already been to the Magdalen Islands two or three times.

Although he did not go on a seal hunt, he saw first hand what happens to the seals on the ice in the gulf.

I would like to say, Mr. Speaker, that we are getting a lot of tourists and a lot of development in the Magdalen Islands because people are coming from the United States, Italy and other European countries, in fact from all over the world. We are experiencing a boom in the tourism industry, unlike anything we have seen in the past 10 or 15 years. This is very important, Mr. Speaker.

However, as far as culling X number of seals from the herds is concerned, this will not harm tourism and it is certainly not a threat to the continued existence of the seal herds. In fact, what we call the "harvesting of the herd" benefits everyone.

[*English*]

It is very important not to shock the environmentalists. We can do a reasonable harvest. We can use every ounce of meat, every ounce of oil and we will sell it on the market. CIDA buys all kinds of mackerel in cans. We can sell seal meat too. We will keep our herds. We will have the seal hunters and they will have their jobs.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I would like to put on the record a question that the minister of fisheries will undoubtedly have to answer tomorrow at the University of New Brunswick law school.

The minister of fisheries is speaking at the law school on Friday, I think at 1.30 in the afternoon, and the general public is invited to attend together with the media and, of course, with law school students who will be questioning the minister of fisheries on the subject of fisheries management as it pertains to the Law of the Sea and what the minister of fisheries and the Government of Canada intend to do under the law to protect our fisheries.

I will try to present the question in the seven minutes I have. The question is this: According to the department's own information sheets, in 1990 it gave 195,000 tonnes of fish as foreign allocations within our 200-mile zone and it issued 117 foreign licences, foreign allocations within Canada's 200-mile zone, enough to keep 19 fish plants going in Canada. That is the department's own background material. This is Fisheries and Oceans Canada. At least, I don't know, 10,000 jobs in 20 fish plants.

The rationale, as given by the minister and the department, for giving out these foreign allocations inside the 200-mile zone is that Canada has an obligation under the Law of the Sea. This is the information package or backgrounder of Fisheries and Oceans. The Law of the Sea requires coastal states, and it goes on and on and on.

The question is if the Law of the Sea required Canada to give 119 foreign licences last year and 195,000 tonnes of fish to foreigners, then why can we not extend our jurisdiction over straddling stocks that is also required under the Law of the Sea?

The government says that it cannot extend it for transborder stocks because we did not ratify the Law of the Sea. There is no Law of the Sea. There is a Law of the Sea by custom which was signed by 119 nations at the United Nations in 1983. But then it required 60 to ratify it in their own countries and to date, only 43 have done so.

So there is no Law of the Sea. But the Law of the Sea is used to give foreigners allocations of fish within our 200-mile zone. The minister of fisheries stood in this House a few moments ago and said: "Oh, but fish that Canadians do not want are given to the foreigners". I am sorry but I have them in my riding as other members do.

Why Canadians cannot get licences to catch squid unless they are a certain group of Canadians. A man on welfare cannot get a licence to catch squid; a woman on welfare cannot get one. I cannot get one. Nobody can get one unless he or she qualifies as a full-time fisherman and has certain other qualifications. But the Cubans can get one. Oh yes, 12 miles off the coast, there is the Cuban flag. Japanese can get one. Russians can get one.

If you go out and you catch a fish that a foreigner is catching under a Canadian licence you are thrown in jail. Then you spend your time in jail. A great many Canadians have spent their time in jail, because they cannot get a licence.

Last year, Fisheries and Oceans said they gave 117 foreign vessels licences 195,000 tonnes—that is their publication—to vessels that are over 400 feet long. Why, you could drop the biggest Canadian vessel in the hold of

one of those foreign vessels and you would need search and rescue to find it.

If the Law of the Sea forces Canada to give licences to foreign nations and allocations as the minister said it does in this House today, how can he turn around in response to this motion and say: "but the Law of the Sea is not law".

Under section 62 of the Law of the Sea, it says that you must give allocations that are in excess of Canada's needs, or a coastal state's needs, to a foreign nation if you are not using it. Then the next section says that in the case of transborder stocks you have the right under international law to enforce their conservation.

So the Government of Canada uses one section of the Law of the Sea and says: "We have to give to 11 foreign nations quotas because of the Law of the Sea". Then it turns around and says: "Well, we cannot stop the foreigners from overfishing outside the 200-mile zone because there is no Law of the Sea".

It is going to be interesting. Tomorrow we will have our lawyers, our law school students and perhaps law professors, perhaps a judge or two, ask the minister of fisheries on the spot in Fredericton at the University of New Brunswick law school. I wish I were there to listen to the sort of logic the minister of fisheries is going to come out with when he talks about the Law of the Sea.

The Acting Speaker (Mr. DeBlois): It being two o'clock p.m., I must interrupt the debate.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

TRADE

Hon. Alan Redway (Don Valley East): Mr. Speaker, when the free trade agreement was signed neither the United States nor Canada could agree on fair trade rules. So it was decided that they would be negotiated over the next five to seven years.

Three and a half years later we still have not started to negotiate the fair trade rules. As a result, when the Canadian softwood lumber industry or Canadian manufacturers such as Stelco or Honda increased their exports to the United States by being price competitive, the U.S. uses or threatens to use its anti-dumping and anti-subsidy countervail laws to eliminate this increased competition.

Apparently Canada has decided to defer fair trade rule negotiations until after the current GATT negotiations are completed. Meanwhile, the lack of fair trade rules is destroying the truly open North American market contemplated by supporters of the free trade agreement and is threatening Canadian jobs.

We can compete but we need fair trade rules now. We need a level playing field, but once again we appear to be one of our own worst enemies.

* * *

ARCTIC WINTER GAMES

Mr. Jack Iyerak Anawak (Nunatsiaq):

[*Editor's Note: Member spoke in Inuktitut*]

[*English*]

Mr. Speaker, on Sunday, March 15, the 1992 Arctic Winter Games in Whitehorse will begin and will run until March 22. Over 1,400 cultural and sports participants will be at these games. They come from Greenland, Russia, Alaska, Yukon, the Northwest Territories and northern Alberta. Sixteen different sports are featured, traditional and contemporary.

The traditional sports include Dene and Inuit games like the snow snake, the knuckle hop and the one-leg high kick, et cetera. Contemporary sports include hockey, cross-country skiing, dog mushing, silhouette shooting, snow shoeing, volleyball and wrestling.

Unique to these games is the focus on culture: Arctic arts, crafts, dance, drama, story telling and music are highlighted along with the sports.

For an absolutely unforgettable northern experience, I urge all members of this House to come to Whitehorse next week.

Good luck to all the northern athletes and good luck to all the NWT athletes. Any member wishing to know more about how countries can get together, this is the perfect opportunity.

* * *

NATIONAL ARTS CENTRE ORCHESTRA

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, it has been some time since I was chairman of the Standing Committee on Communications and Culture, but if I were I would immediately press to establish a new policy for the National Arts Centre orchestra.

When the National Arts Centre orchestra is on tour in Canada it should open the performance with our national anthem. The strong melody and and patriotic words of *O Canada* should resound loud and strong in every community and concert hall in which our national orchestra plays.

What if some communities do not want our national anthem played? Then the National Arts Centre orchestra should refuse to play there.

Canadians must unite in their opposition to the divisive forces that threaten our existence as a strong nation. The National Arts Centre orchestra must not be the patsy to any divisive forces.

"O Canada, our true north strong, united and free".

* * *

HOUSING

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, Winnipeg is really the home of co-op housing. The first major project in Canada began in that area, and since then over 3,000 families have enjoyed the benefits of that major program. On behalf of them I want to speak out against the disgraceful cut in the co-op housing project that was in the last budget.

Let me read, if I may, a comment made by residents of Carpathia Co-op which provides a good mixture of housing for low and middle income, single parent families:

> The federal government has a responsibility to the people of Canada to ensure that we all have access to secure, modest, affordable housing.

There is a contradiction. In January the former minister of housing said clearly that the co-op housing program was an ideal program to provide a mix to stop the ghettoization of social housing across the province. Then, in the House of Commons yesterday, the Minister of Finance said that co-op housing was not useful for providing that kind of support for mixed housing.

When is the government going to get its act straight? I think it is time we understood that this government has a commitment to the people of Canada.

* * *

THE ENVIRONMENT

Mr. Ross Harvey (Edmonton East): Mr. Speaker, most Canadians have never heard of the experimental lakes area, the ELA, in northwestern Ontario; nor have they heard of the internationally decisive work done there.

It was the ELA program that first proved it was phosphates that caused the explosive growth of algae in fresh water. It was the ELA program that proved it was industrially generated acid rain that was killing Canadian lakes. And the ELA program is continuing to do ground breaking scientific research such as gathering the long-term information that will allow us to gauge the real effects of global warming.

But, astonishingly, the program does not yet know how much money it will get from this government next year. At very least the current paltry and inadequate allocation of $155,000 must be recommitted. Ideally the funding should be increased.

For a mere $450,000 a year plus a one-shot $10 million investment in site development, Canada can retain and enhance one of the most crucial and internationally lauded scientific projects on the planet.

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RED CROSS MONTH

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I would like to take this opportunity to remind members of the House and all Canadians that the month of March is Red Cross Month.

Last year, 2.5 million Canadians gave their time as volunteers or donated blood to the society because they can see the positive results of the work it is doing.

In Fredericton alone over 600 volunteers are involved with the Red Cross Society, offering such vital services as transportation aid, an accompaniment to citizens needing help for doctors' appointments, often staying with

them for personal support. Another program offered by the Red Cross across Canada and appreciated in my community is the house fire relief service extending financial support and assistance to families that have lost their homes and personal belongings due to fire.

The Canadian Red Cross Society influences the lives of people daily in communities right across this country, including financial assistance in providing supplies to help victims of war, famine and natural disasters abroad. In Canada the Red Cross organizes many home programs including support for veterans and seniors, and more than a quarter of a million people have benefited from its services.

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COURT CHALLENGES PROGRAM

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, human rights groups in Canada want to know the real reasons for the scrapping of the Court Challenges Program.

The government says there is enough federal jurisprudence but legal experts say that simply is not true. The government says it is part of the deficit reduction, but all evidence contradicts the suggestion that the justice department could perform this function more cheaply. This would also be a conflict of interest for the department which must defend any court challenges.

Could it just be a coincidence that Preston Manning has called for this program to be scrapped? Considering the support that the Prime Minister has given the program in the past, surely there is no one in this government who is not committed to protecting the human rights of every Canadian.

We all hope this program will be reinstated.

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VETERANS AFFAIRS

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, I rise on behalf of a constituent from Calgary Southeast who contacted me expressing concern about a statement made yesterday with regard to veterans affairs.

I have spoken to the minister and I am pleased to report that there are absolutely no plans, as the hon. member for Hillsborough yesterday suggested, "to shuffle veterans affairs positions around the country".

I was advised that the department may relocate some jobs to streamline operations, but it would do so only to improve efficiency while maintaining service to our veterans, with every possible consideration of employees who may be affected.

The member also mentioned the winding down of the veterans lands administration. The government is looking at ways of improving the efficiency of the agency. We are looking at investigating privatization of the administration of VLA's activities and at other ways of ensuring continued cost effectiveness.

We will wind it up, but in an orderly way and with every consideration for employees who may be affected and at the same time ensuring that service to our veterans is maintained.

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PORT OF CHURCHILL

Mr. Rod Murphy (Churchill): Mr. Speaker, at a general meeting of the Saskatchewan Association of Rural Municipalities on March 6, 1992, the Minister of State for Grains and Oilseeds was asked about the use of the port of Churchill.

The minister said that the port of Churchill had many problems that are not incurred at other ports. He included the example of a Brazilian ship last September or October running into an iceberg and puncturing its hull. The minister then stated that welders had to be flown to Churchill. The minister also stated that the Brazilians were not going to be going to Churchill any more.

• (1410)

I have a document from the Canadian Coast Guard. It has reviewed its casualty records for 1989, 1990 and 1991 and has stated that there was no recorded incident of the form of damage described.

It also checked the records of the Transportation Safety Board. It had some incidents recorded where Brazilian ships had ice damage. However, these were on ships that were in transit to or from the Gulf of St. Lawrence. They say: "None were to ships"—

The Acting Speaker (Mr. DeBlois): I apologize for interrupting the hon. member.

[*Translation*]

HIGH SPEED TRAIN

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, as member for Québec-Est, I am happy that the report of the Standing Committee on Transport tabled yesterday dealing with high speed trains acknowledges the economic spin-offs of such a project.

I must stress the fact that the final feasibility study now under way deals with the complete corridor from Quebec city to Windsor, Ontario and not only the Montreal-Toronto section.

Like the other members of this House, I am eager to see the conclusions of that study since, if that great pan-Canadian project becomes reality, it could mean not only job maintenance or job creation in the area of passenger train operations and rolling equipment manufacturing, but also the acquisition of new, up-to-date technologies, the interlacing of foreign and Canadian companies and the creation of strategic alliances. Eventually it could also mean a new direction for production and research and development activities in the aerospace and aeronautics industries.

By taking the necessary steps for this project to succeed, Canada could improve its position within the export market and better place itself among the five major countries in the area of railway stock production.

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CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise today to denounce an unfair action by Canada Post.

In several parts of the country, including Saint-Frédéric-de-Beauce, Canada Post allows postal outlets to sell stamp booklets at a discount price. Often these outlets are very close to post offices, even as close as across the street. This practice is unacceptable.

Canada Post allows its own competitors to play with the price of stamps. On the other hand, the post office never cuts its prices. So it will become an easy target for postal officials who are more than willing to close post offices in rural areas.

The people of Saint-Frédéric-de-Beauce see through this scheme, Mr. Speaker. They see through it so clearly that they formed a surveillance committee. The government is dismantling the Canadian postal system with so-called streamlining operations and questionable business practices. The selling of postage stamps at a discount price should be banned, because it means the closure of post offices in Canada.

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[*English*]

THE PRIME MINISTER

Mr. Garth Turner (Halton—Peel): Mr. Speaker, last night CBC television aired an interview with the Prime Minister and his wife.

In that interview the Prime Minister used language which some would say is not politically correct. He said he would do serious damage to anybody who threatens to injure his family. If anyone wants to criticize Brian Mulroney for saying that, they had better think first about this: He is a father and a husband before he is a prime minister and when *Frank* magazine attacked his daughter he reacted.

There are 26 million people out there expecting the man to be some kind of an emotionless, non-human public servant, set on earth just to look after their needs. He is human, he speaks his mind, he supports and defends his family in any way possible.

For those who may call for an apology, I can only say that many of us are still waiting for an apology from the magazine that discredited itself in the first place.

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THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, there are a number of extremely serious issues on the environmental front in Alberta that cry out for action from the federal government.

Regrettably the ministers responsible seem paranoid to the point of inaction, something that is not going unnoticed by Canadians who care. Why is it the Minister of the Environment has refused to come to Parliament to halt logging in Canada's largest national park, Wood Buffalo? This House would send a strong message to Canfor and Daishowa that there will be no more blackmail for cash.

Why is it that the Minister of Transport continues to do nothing for about the illegal Oldman dam despite a clear direction from the Supreme Court of Canada for him to do his duty pursuant to the Navigable Waters Act. That reservoir should be ordered drained by the minister, and he knows it and yet he does nothing. Why is the Minister of Agriculture doing nothing about the risk of disease transfers from game farms to wildlife? Does he really support shooting wild elk to protect them from catching diseases from game farmed elk.

Something stinks about the inaction on environmental issues in Alberta and the smell seems to be political.

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[*Translation*]

MORDECAI RICHLER

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, Mordecai Richler has struck yet another blow at Quebecers. According to this author, the people of Quebec form a tribe whose elite is but a self-destructing force, we are suffering from collective paranoia and owe our emancipation to English Canada.

As a Quebecer, I cannot condone racist comments and a bunch of lies such as these. It is unacceptable. It is unfortunate that such an individual should call himself a Canadian. Mordecai Richler must be exposed and I hope that leaders in English Canada and in the Jewish community will join in denouncing this consummate racist with a totally decayed mind.

Mr. Richler is a racist of the worst kind who smears Quebec's reputation abroad by peddling one lie after another. If a Quebec nationalist were to write something like that about another nation or minority, I bet it would cause an uproar in Canada. Canadians must speak out. They either denounce his action or they are his accomplices.

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[*English*]

JEWISH STUDENTS' NETWORK

Mr. Jim Peterson (Willowdale): Mr. Speaker, 60 young men and women from the Jewish Students' Network are with us in the House today. They have come from Victoria, Vancouver, Calgary, Winnipeg, London, Waterloo, Guelph, Toronto, Kingston, Ottawa, Montreal, Halifax and Israel. They have come to protest the plight of Syrian Jews who are denied basic rights set forth in the Universal Declaration of Human Rights and in Syria's own Constitution. They cannot emigrate, vote, work for the government and are subjected to harassment, police surveillance, arbitrary arrest and imprisonment.

All parliamentarians applaud you, the dedicated students from Network, in your fight for human rights. We join with you in protesting these callous abuses by Syria and in calling on President Assad to end them. This Saturday as the Jewish community throughout the world observes Shabbat Zachor, the Sabbath for remembrance of oppressed Jews, we will remember with you, for oppression is not a Jewish issue, it is an issue for all mankind. We will not forget.

ORAL QUESTION PERIOD

[*English*]

PEARSON INTERNATIONAL AIRPORT

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Minister of Transport.

The government has announced that it is rushing ahead with plans to privatize terminals 1 and 2 at Pearson airport, an airport that makes a $100 million profit every year. The airline, the province, the regional governments say: "We do not need it".

I want to know from the minister why he is going ahead with this when everyone says that it is not needed. Why does he want to give $100 million of profit to the private sector at the expense of the government?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, in 1988 and 1989, Pearson airport was so congested that everybody suffered unacceptable consequences. The indications concerning the traffic at Pearson over the next few years tell us that we will again experience a similar situation in 1997-98 unless changes are made. So we are preparing for the future. We have confidence in

Canada's future and we believe that this is the most appropriate time to do this planning and at the same time create 3,200 jobs over the next five years in the Toronto region.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, how is it that the minister tells us today that he must proceed with this when studies on the needs at this airport are not yet completed and when the minister himself said that he did not want to consult anybody, that he was not interested in talking with anybody involved, except his contractor friends who could make money?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, it is absolutely unbelievable that the Leader of the Opposition, of a supposedly serious party, would talk like that here in the House. We have consulted all interested parties. Last Monday evening, we even had a meeting in Toronto with two Ontario government ministers and four mayors from the region. During that meeting we explained very clearly to these concerned that there was no problem with the process. They simply wanted to propose a delay in order to set up a new local authority that meets none of the criteria of privatization through a local authority that were established four years ago by this government. Only on Monday did all those people realize that there should be another local authority in which the three levels of government would be involved.

• (1420)

Among the people who were there, the mayors of the two largest communities in the Toronto region systematically opposed the creation of such an authority.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Two years ago, Mr. Speaker, questions were asked in this House about privatization of airports and the government said at that time that it was not the policy of the government. It was said here in this House.

The minister has now said that developers will have 90 days to come up with proposals for taking over these terminals. Canadians should know that one company, Paxport, has a major head start. It even had a scale model of a proposed new terminal airport on display at the Rideau Club for members of Parliament two years ago. A principal in that company is Don Matthews, a former chairman of the PC Party and fund raiser for the Prime Minister in his leadership bid.

We all know that the Prime Minister likes to roll the dice. Can the minister assure us that in this case he is not loading the dice for his friends?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we should perhaps recall that when submissions to build terminal 3 were requested, the person that the Leader of the Opposition just referred to was one of the bidders, but he did not get the contract. Instead, the contract was awarded to friends of the Liberal Party.

[*English*]

Mr. John Manley (Ottawa South): Mr. Speaker, my question is also for the Minister of Transport.

I have gone through the proposal, the press release, everything that he released yesterday very carefully and the numbers frankly do not make any sense. Using the minister's own growth projections with respect to passengers, Pearson airport does not reach its 28 million person capacity until well past the year 2000, not 1997 as the minister stated yesterday. Likewise, his figures on job creation are totally hypothetical.

This announcement simply does not make sense at the present time. Will the minister therefore withdraw his request for proposals, go back to the drawing board and come forward later when he can prove to Canadians that what he is going to do is in the best interest of Canadian travellers and Canadian taxpayers?

Hon. Jean Corbeil (Minister of Transport): The answer, Mr. Speaker, is no. We are proceeding because we believe that this is what is needed in order to have the proper capacity at this airport in 1997–98. The time to do it is now because this is the time that we are going to get the best prices.

Mr. John Manley (Ottawa South): Mr. Speaker, the minister should know that he can refurbish as many airport terminals as he wants and that is not going to help with the problems of capacity at Pearson airport. If the minister is actually trying to tell people that runway expansion at Pearson is a certainty, why does he not come out and say that clearly so that people understand what is going on here? If that is what he is saying, why

does he not tell us how he is going to pay for runway expansion?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, if the hon. member had read all the documents that we put out yesterday, he would have noticed that we clearly stated that the request for proposals is considering no runway expansion and, as an option, three additional runways, so we are covering all aspects.

I do not understand why the hon. member from the other side is so much against the creation of 3,200 jobs in the Toronto area at this period of time.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Transport.

The Minister of Transport knows full well the dangerous state of the Canadian airline industry in Canada. We do not know if we are going to have one or two carriers by the end of this year or next. Yet he has embarked on a plan to turn over the most profitable airport in our total aviation system to the private sector at a time when we have seen a drop in air traffic by about 12 per cent with no real indication that it is going to turn around any more than the economy is going to turn around. I want to ask the minister if he can justify to this House and, more important, to the Canadian people who will have to pay the bills how we can do this kind of mathematical wizardry to suggest that the private sector, at a large cost to the people of Canada, can do better?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, again I remind the hon. member that the forecast of Transport Canada on the number of passengers who are likely to go through Pearson airport in the coming years has been deposited with the EARP panel that is studying the additional runways. These figures have been accepted as accurate by this panel.

The traffic at Pearson over the past 10 to 12 years has increased by 4.5 per cent annually. We are basing our forecast on a 3 per cent increase per year for the next 10 to 12 years. This indicates to us that by 1997–98 we are going to run into a capacity problem at the airport. We are not doing this for tomorrow, we are doing this for the future because of the time that it takes to put the renovation and upgrading together.

We figure that when we have completed this process we will be right on time to meet the proper capacity so again we will not find ourselves in the position in which we found ourselves in 1989. I am surprised that a representative of the NDP is against the—

Mr. Speaker: I think we should go on to the next question.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, it would appear that the Minister of Transport relies on the same advice that the Minister of Finance relies on when he says that we are already out of the recession.

We know that the recession is not over. It is not even close to being over. We know that because of the decline in use of the aviation industry by Canadians that there will not be a 3 per cent increase. We would like to get back to that point, but we know it is not going to happen for quite some time. We also do not know if we are going to have one or two air carriers in this country. If we end up having one, you are not going to need any of that space whether it is at terminal 1 or terminal 2.

I ask the minister again: Will he reconsider this decision, put it on hold until such time as the aviation industry has turned around and we know what the long-term future of our carriers will be?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to point out to the hon. member that the number of passengers going through an airport is not related to the number of airline carriers. It is related to the number of people who are travelling by air. We are not going to reverse our stand.

I find it rather peculiar that the same people who a few weeks ago and even a few days ago were asking the federal government to borrow money to do infrastructure work that belonged to other areas of government are now wondering why the federal government is getting into a project that will create 3,200 jobs without borrowing money and at no cost to the taxpayers.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, the minister should also remember that Pearson airport contributes $100 million of profit a year to the aviation system. That is the cost to the taxpayer that this government is prepared to give over to its private sector buddies which means, in the long term, it will be the

taxpayers and the users of the aircraft who will have to pay the price.

I want to ask the minister once again: Will he reconsider this decision given that the province of Ontario does not like it, the municipalities do not like it and the industry, that is going to have to pay the piper, does not want it at all?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, it is precisely because Pearson is such an important component of our airline industry in Canada that we do not want it to suffer the same type of congestion that it did in 1988–89 and caused so much disruption in the system.

We believe that this is the best time to preserve the integrity and the profitability of Pearson because we are not going to lose money in that. By having the private sector doing it, we are going to save some money in the operation and we are going to use the business sense of the people in the industry to make Pearson even more profitable.

• (1430)

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the same minister.

To this day the entire privatization deal of terminal 3 involving the financial figures, the text of the agreement and the rationale for contract awarding remains a state secret which this government does not want to open up or divulge to Canadians.

Why is the government once again prepared to proceed in the very same manner? Why this rushed 90-day period? Could it be that Gordon Sinclair, president of the Air Transport Association, was correct when he suggested that this deal has more to do with rewarding the efforts of developers that have found a mark in this government?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I repeat. This exercise is predicated on the fact that we must meet the capacity requirements of one of the most important airports in Canada.

We have to plan ahead. We have the figures on what are going to be the capacity needs starting in 1997–98. We are preparing now and at the same time we are helping the economy of that area of the country.

I am very surprised that a member from the Toronto area would be against the creation of 3,200 jobs.

Mr. Sergio Marchi (York West): Mr. Speaker, the motivating force of this very massive and costly project should be need and not greed. That is something this government does not understand.

Given that all taxpayers of Canada have invested heavily in the nation's premier airport, and since the selling price of both terminals will be considerably lower given the economically depressed state of the air industry, why is the minister prepared to risk at this time the holdings of those 26 million Canadian shareholders?

What happened to good business sense which meant buying low and selling high?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, this is precisely one of the components that has been part of our decision.

In the depressed state of the economy the cost of the renovations and upgrading that will be necessary are of course going to be lower at this stage than at any time in the future.

The end result, again I repeat, is the creation of 3,200 jobs for five years in an area of the country that is very much depressed.

I do not understand why members on the opposition side, especially those from the area, are so much against it.

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THE ECONOMY

Mrs. Diane Marleau (Sudbury): Mr. Speaker, this government pursues its policies regardless of the hardship it brings to Canadians.

Today interest rates have been again increasing. Real interest rates are at a level which will further discourage economic recovery.

I ask the Acting Prime Minister: How much more pain does this government wish to inflict on Canadians and why?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would disagree with the hon. member.

This government is doing everything it can to help the situation along. I hope she is not suggesting that we

borrow more money. I hope she is not suggesting that we go the Liberal way, that we borrow more money and get higher interest rates.

Interest rates of course are the result of a very volatile situation, but we have done our share as a government and will continue to do it. The rate that went up by 11 basis points today is already much lower, three times lower than it was during the Liberal period.

We have done our share and we will continue to do it. I am convinced that with our policy interest rates will continue their decline as they have over the last 14 months.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, with help like that, it is no wonder we are in trouble.

[*Translation*]

Mr. Speaker, the one and only time that Canada had no inflation was during the Great Depression of the 1930s. I therefore ask the minister: Now that the inflation rate is almost zero, can he give us a good reason for today's rise in interest rates?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to remind the hon. member that we must be clear when we talk about increases in the interest rate. Eleven basis points is quite normal, because when interest rates go down, there are ceilings and plateaus. This is quite normal and I prefer our plateaus to the deep hole that was dug when the Liberals were in power and interest rates were sometimes over 20 per cent.

As a government, we have done and will continue to do everything to ensure that these rates go down without borrowing money that Canadians do not have and without increasing taxes, so that the economy can recover.

We are doing our part and we are sure that the economy will respond.

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[*English*]

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

In his 1990 report, Professor Harris stated that it was difficult to contemplate a capelin, a crab or a shrimp fishery that would not impact on the cod resource.

Assuming the minister agrees with this, does he not also agree that we must examine the licences for all vessels licensed to operate within the 200-mile limit to see to what degree, if any, they are interfering with the endangered cod stocks or the cod food?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I think the hon. member might be getting confused by the hon. member for Gander—Grand Falls who often gets mixed up on this question.

At the present time I am reviewing very carefully the use of foreign fishing vessels within the 200-mile zone. No foreign vessels are allowed to fish within the Canadian 200-mile economic zone unless it is in the national interest of Canada and there is a request from our fishing industry or the fishermen's union for them to do so. They are only allowed to fish for species, otherwise, that we do not catch ourselves or use ourselves. Every foreign vessel that fishes within the 200-mile limit has a Canadian observer on board. So we know exactly what they are doing, what species they are catching, what they are discarding, what their actions are, and we make sure they observe our rules and regulations.

Our problem is not caused by foreign vessels fishing within the 200-mile limit. It is caused by foreign vessels fishing in an unrestrained manner outside the Canadian 200-mile economic zone where international law does not permit us to exercise authority.

As the debate today shows, our patience may not last forever.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, what the minister said may be the truth but not the whole truth.

Some hon. members: Oh, oh.

Mr. Stupich: No, it isn't. It is not just one factor that is endangering the cod stocks. It is a whole host of them.

One of them is that the quota for this year was set, tI believe, at 120,000 tonnes; it was reduced from a higher figure of 185,000 tonnes to 120,000 tonnes according to a fairly recent press release. Professor Harris recommended some four years ago, in view of his state of alarm about the depleting cod resource, that it should have

been reduced then to 90,000 tonnes. We are still one-third higher after four years.

When is the minister going to take these reports seriously and get the quotas down to where Professor Harris said they should be?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, let us have some accuracy in this matter. Dr. Harris' report was presented to the government in 1990 which I calculate to be two years ago.

Nowhere in his report did he say that the TAC should be reduced to 90,000 tonnes. He suggested that the management tool we use of F0.1, which allows one to take 16 to 20 per cent of the biomass of some particular stock each year, was the correct way to proceed. In the present circumstances we should try to keep the catch at a rate of 0.30 because we could not operate at 0.1. Since then he has said that we should be very cautious and he has recommended that TACs be reduced more than we have reduced them. But we have set the TACs in accordance with the advice of Canadian scientists, CAFSAC advice, and at no time have we set quotas any higher than was recommended by our own scientists.

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SOFTWOOD LUMBER INDUSTRY

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, my question is for the Acting Prime Minister.

The softwood lumber industry, because of the 14.5 per cent surtax, today is really in shambles. The immediate problem is: What can we do about this terrible problem today?

• (1440)

The present situation is not unlike what happened in 1971 when our American friends imposed a 10 per cent surcharge on Canadian exports to the United States. The Employment Support Act was passed specifically to remedy that type of unfair taxation by the United States.

Will the minister take this question as our representation to invoke the terms of this act immediately as a countermeasure to what the Americans have done to the softwood lumber industry of Canada?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, of course we will take any representation from the hon. gentleman, but I have to tell him that the big problem with 1971 was that they did not have a dispute settlement mechanism to help them solve the problem. They had to reach out and provide more public funds from the Canadian taxpayer to handle the problem.

What we are trying to do is make sure that American taxpayers who are going to have to pay more for houses as a result of this decision, American taxpayers who will have to pay for this wrong decision on the part of the Americans, will pay for the bad decision they have made with respect to this matter.

What we have is a dispute settlement mechanism now which we did not have in 1971. I think our case is so strong we may not even have to use that mechanism. But if we do, we will and we will use it vigorously.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): I have a supplementary question, Mr. Speaker. That answer is totally unacceptable. I am talking about a problem that exists today.

At the time of the dispute settling mechanism we could go to GATT. What I am talking about today is an interim measure. In 1971 when the countermeasure, the Employment Support Act, was introduced, it only took three days to pass through this House with all-party support. Let me add that at that time all parties in the House gave full co-operation to the passing of this act.

As an interim measure to help every softwood lumber industry and employee in Canada, I ask the minister to invoke this Employment Support Act today. He should not only invoke it but make it retroactive to the date the Americans imposed the tax, March 6, so that we can show them we have the ability to counteract moves they make in our export business.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, that bill passed, if it did, in three days because there were no other options available to the Government of Canada.

The option available at that time was GATT. GATT, as we all know, is not binding. GATT has very powerful moral suasion but it is not binding. Today we have GATT, and as a matter of fact we are pursuing this particular case under GATT. We expect a resolution from them in June or as late as July.

We are pursuing GATT but we are also pursuing our rights under the free trade agreement which gives us what we did not have in 1971 and what we did not have until 1989: the binational panel, the dispute settlement mechanism. That is why we do not have to resort to spending millions of taxpayers' dollars on the proposal the hon. member suggests.

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TRADE

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, my question is for the Acting Prime Minister.

Under the Canada-U.S. Free Trade Agreement both countries must provide an equal exchange of information for government contract tendering and bidding.

According to External Affairs officials, Canada has provided statistics to the United States but the United States has not responded, despite three years of requesting this information.

Will the minister defend Canadian businesses and ensure that this part of the agreement is fulfilled, or will he suspend the supply of this information until the U.S. begins to provide the necessary statistics?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the government is aware of this request for information. The Americans indicate that they are going to supply us with that information. Of course if they do not, that would be a very serious violation of the understandings we have with them under the free trade agreement in terms of bilateral trade outside the free trade agreement.

What the hon. member should know, however, is that we have negotiated through the free trade agreement access to American procurement we never had before. We have information now from American government authorities on contract opportunities we never had before. We have that information. We would be very happy to supplement it with the information the hon. member suggested as well.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I am pleased to hear the minister making some sort of commitment to take action. I would like to bring to his attention that in fact the agreement states the two governments must exchange information on an annual basis to allow monitoring of contracts. Without this information, how can the government know if Canadian businesses are getting a fair shake in the U.S. market?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): The hon. member makes a constructive point. We will make sure that we have all possible sources of information, including the information that he suggests.

Our information right now on the American market is very deep and very comprehensive but we will be glad to pursue our rights under the agreement with the Americans as raised by my hon. friend.

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ATLANTIC SALMON FISHERY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans. Last week, the minister and his colleague in Newfoundland made a very difficult and important decision for conservation of Atlantic salmon, one that followed a ban on fishing in New Brunswick and Nova Scotia some years ago.

Accompanying the decision last week was an offer to the fishermen to repurchase their licences for retirement. I think that was a sound and compassionate offer and an investment in future conservation.

I would like to ask if that offer is also going to be made available for those New Brunswick and Nova Scotia fishermen who still retain commercial licences?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I believe last week we made an important step forward with reference to the conservation of the Atlantic salmon, one of the finest and noblest fish that it is possible to come across, or to catch or to consume for that matter.

With respect to the question of a similar program for commercial fishermen in New Brunswick or elsewhere, we are considering an initiative to retire the remaining commercial salmon licences in New Brunswick as well as in Nova Scotia and Prince Edward Island.

However, in Newfoundland and Labrador this is a program shared 70 per cent by the federal government, 30 per cent by the province and therefore we will need the co-operation of the provincial governments in these places as well.

I am glad to see that the hon. Leader of the Opposition, who is from New Brunswick, is very interested in the reply to this question.

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GASOLINE ADDITIVES

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, my question is for the Minister of the Environment.

Lead in gasoline causes irreversible brain damage in children. Knowing this, the Canadian government banned the use of it in Canada in 1990. However, this ban did not extend to the export and production of leaded gasoline.

Why should the children of the developing world suffer from a Canadian desire for exports? Will the minister today announce that he will enforce a ban on the export and production of leaded gasoline?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, as the member knows, in the case of tetraethyl lead, the Government of Canada has a policy by which we do not permit its common use in Canada now. It is permitted in certain exceptional circumstances in farm machinery. It is also used for certain planes. I think there are about 75,000 aircraft in Canada that use that type of fuel. Those are the conditions under which it is used.

In the case of export we are now in the process of putting forward regulations requiring that a notice be given to the countries that receive this product because in Canada there is specific legislation that constrains its use.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I think most members would agree there should be standards internationally, not just for Canadian children, but for all the children of the world.

Methylcyclopentadienyl manganese tricarbonyl, or MMT, has replaced lead in gas used in Canada. It too has potentially dangerous health effects and has been banned in the U.S. since 1978.

Will the minister allocate funds to help companies producing lead and MMT to convert to the use of environmentally friendly alternatives like ethanol?

Hon. Jean J. Charest (Minister of the Environment): I am very happy to report to the House, Mr. Speaker, that in the last budget the Government of Canada, through the Minister of Finance, brought in a measure that would specifically encourage the use of methanol by withdrawing the excise tax on that specific product, a very innovative measure that is going to be good for agriculture.

It is good for the environment. The impact on the environment is not perfect but it is going to be very good and that is exactly what the Government of Canada is proceeding to do.

* * *

• (1450)

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my question is for the Minister of Agriculture.

Last week I met with farmers from Halton and Peel counties. They are concerned about their futures as a result of the GATT talks, the possible elimination of article XI.

I know the minister is fighting for Canada's position at the GATT, but I have a question for him. Some farmers want Canada to take a walk away from the GATT table if we do not get a strengthened article XI.

Can the minister tell us what the likely consequences of that would be?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, as the hon. member is aware, the position that Canada put forward at the GATT was developed with the stakeholders, the producers and the provinces.

The rationale for Canada's position under supply management was the recognition that article XI, as it

exists today, after findings by GATT, would no longer allow us to continue with supply management as we view it in Canada. Therefore, the need to have it strengthened and clarified so it could apply to further processing or other products is important. That is why the position was developed.

I think the members of the supply managed community understand the rationale for the development of this position and are continuing to support Canada in presenting it at GATT.

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REVENUE CANADA

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the minister for internal revenue.

Manitoba cabinet makers have lost up to half a million dollars because of poor application of departmental policy by Revenue Canada. Last week the Canadian International Trade Tribunal determined that Manitoba cabinet makers had been right all along.

In the case of the Imperial Cabinet Company versus the minister of internal revenue, would the minister endorse the conclusions of the tribunal? Will he admit that his department has unfairly treated Manitoba cabinet makers?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I think the hon. member knows that all manufacturers of kitchen cabinets were provided with the regulations, in fact, on two specific occasions, once in 1985 and again in 1989. Consultation was made available to all those in this industry prior to any decisions being made by Revenue Canada to the satisfaction of the majority who participated.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the same minister. That interpretation is contrary to the ruling made by the tribunal, and I have the document.

In March of last year, the minister said in this case of the Imperial Cabinet Company, if his department was at fault those cabinet makers would be given refunds.

Will he now make immediate restitution to the Imperial Cabinet Company. Will the cabinet minister make refunds to all eligible cabinet makers from Manitoba?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, this cabinet minister made available refunds to all cabinet makers in Manitoba in the past, on two separate occasions.

* * *

PORT OF HALIFAX

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Transport.

After over 60 interventions in this House to the Minister of Transport and the Minister of Finance, the government continues to do nothing to address the competitive position of the port of Halifax. Higher Canadian fuel taxes, higher Canadian sales taxes and higher Canadian depreciation have all contributed to the operating costs of the port of Halifax being 28 per cent higher than the highly subsidized U.S. ports.

When will this government start putting Canada first and implement policies that give the port of Halifax and Canadian industries an opportunity to compete fairly against their American counterparts?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, in his latest budget, the Minister of Finance adopted a certain number of measures to help the transportation industry be more competitive. The Canada Ports Corporation has undertaken a study concerning port competitiveness across the country and it is coming out with recommendations to all ports to do what is necessary to make themselves more competitive.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the Minister of Industry, Science and Technology.

As a result of this government's shipbuilding rationalization plan, nearly 200 employees of the Dartmouth marine slips are waiting for their pink slips because of a pay–off for lay–off deal that is currently being negotiated with the department.

My question for the minister is this. Since the Dartmouth yard has always been a profitable operation and suitable buyers are interested, will the minister give this House his assurance that he will not participate in a rationalization scheme that will lead to the premature closing of the Dartmouth marine slips in the port of Halifax?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, perhaps the hon. member could have gotten a more positive answer from the government benches if he had given notice on that particular question. It is a very technical question.

He knows that it is very important to rationalize the shipyards across Canada. Each case has to be treated within that over-all policy. I would be glad to look into this and get back to him.

* * *

THE ENVIRONMENT

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans. It involves the experimental lake areas program run by the Freshwater Institute.

This program, arguably is now and has been among the most important environmental programs run in Canada. It is the program that proved acid rain comes from industrial pollution. It is the program that proved algae comes from phosphates and not carbon. It is one of the lead elements in determining the nature of global warming and its impact on Canada now.

But it is in a funding crunch. I would ask the minister if perhaps he could not come up with the roughly $450,000 in operating money required this year and, if he is feeling really generous, the $10 million to do the site upgrading to bring it to first-class, world-class standards.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the hon. member who is asking the question is in the money crunch and I am in an answer crunch because he was not able to give me notice of this question until during the Question Period. I have not looked at the Edmonton Lakes situation now for some time.

An hon. member: The experimental lakes.

Mr. Crosbie: The Edmonton experimental lakes. Is it in Ontario? Now you really know I have not looked at it recently.

Some hon. members: Oh, oh.

Mr. Crosbie: I will do my best and get back to the hon. member, Mr. Speaker.

Mr. Speaker: The hon. member for Edmonton East, short supplemental.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, perhaps I could jog the minister's memory or perhaps that of his colleague, the Minister of the Environment, with a brief quote from the report of the Auditor General in December in which he said:

> The program has clearly reached a critical decision point. The secure financial base is eroded and the program currently relies heavily on unpredictable special external funding sources.

My question is for either minister. Would either minister please come up with the money to keep this flagship program going and make it able to do the work that is vital that it do?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I am sure that the Minister of the Environment would answer affirmatively if he were here.

Some hon. members: Oh, oh.

* * *

[*Translation*]

MORDECAI RICHLER

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is for the Minister of Multiculturalism and Citizenship.

Quebecers were amazed and disgusted to read this morning that Mordecai Richler considers them "a tribe with a self-destructive elite". In Toronto, he admitted that he thought Quebecers were anti-Semitic and a tribal society.

I ask the Minister of State for Multiculturalism to denounce and condemn these racist, offensive, insulting and degrading remarks.

Mr. Speaker: I am very sorry, but questions must concern the administration of government. The question may be serious, but it is not one that concerns the running of government.

Perhaps the hon. member would like to ask another question.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I put the question to the Minister of State for Multiculturalism and Citizenship because he is the guardian of the spirit of tolerance and generosity in this House.

In that regard, I again ask him to call upon his colleagues and the English-speaking community in Montreal and Quebec to oppose—

Some hon. members: Order.

[*English*]

Mr. Speaker: I have to point out that the question is out of order.

* * *

• (1500)

CHILD BENEFITS

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the Acting Prime Minister.

As the Acting Prime Minister will know, there has been a great deal of confusion on the part of the Canadian public dealing with the child benefits package.

In the *Budget Papers* the minister announced that $400 million would be provided this year for the new child benefits package. We found out yesterday from the minister who responded in the House that it is now $500 million.

Could the Acting Prime Minister please confirm for Canadians just how much money is being made available: the $400 million in the budget or the $500 million as claimed by the minister yesterday?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am pleased my colleague brought this matter to the attention of the House.

As he will realize, the white paper with regard to the child benefits package is a new regime of fairer and simpler taxation. Obviously the Minister of Finance stated the $400 million in the *Budget Papers*. We are now reviewing with our counterparts from province to province the package the minister put forward. We will be coming back to the House later with the specific plans.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, as the Acting Prime Minister knows, this child benefits package is front and centre to the program of this government. It is good to see so many members on the opposite side concerned and so many facts available.

In answer to another question yesterday, the question about the public consultation aspect of the white paper—and all members of Parliament know that a white paper is the cornerstone of public consultation with the whole country—the minister responded that they would be "working hard".

Could the Acting Prime Minister elaborate on what working hard means for a public consultation process?

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I want to say that I am pleased so many members on the other side of the House are looking at this favourably.

Some hon. members: Favourably?

Mrs. Sparrow: Yes, favourably. It is fairer and simpler taxation. It is going to put more than $2 million over the next five years into child care, and that is exactly what the people of Canada want.

Open consultation starts with the minister talking to his provincial counterparts, with agencies, with concerned commissions, and indeed with taxpayers and families right across the country.

I think the member can just wait and see that it will be totally open.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I would like to put my regular question to the government House leader concerning the business of the House for tomorrow and for Monday and Tuesday. Perhaps he could indicate what bills he intends to call for those particular days.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would like to designate tomorrow, Friday, March 13, an allotted day.

On Monday it is the government's intention to call Bill C-13, the federal environmental assessment process bill, for debate at report stage and to carry it through to completion hopefully on Tuesday.

In terms of the rest of the week, discussions are ongoing with the opposition parties in this regard. I will get back to the hon. member as soon as possible.

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POINTS OF ORDER

THE ENVIRONMENT

Mr. Ross Harvey (Edmonton East): Madam Speaker, during his response to my question, the Minister of Fisheries and Oceans observed that the Minister of the Environment was not in the House. Unfortunately that was not only incorrect but of course was a question of order because he was commenting on the presence or absence of a member.

However, as the Minister of the Environment is here and under the circumstances, I think he should be allowed to confirm the assertion of the fisheries and oceans minister that he would in fact grant the money required to the program.

Madam Deputy Speaker: This is an extension of Question Period, but as the minister seems to be prepared to answer of course he may.

Hon. Jean J. Charest (Minister of the Environment): Madam Speaker, for the record I think it is important to point out that yes, the Minister of the Environment was in the House. What the minister of fisheries said, and I think everybody understood, was in jest. I felt that it was probably better that he answer the question given the fact that he had fully briefed me on this issue.

[*Translation*]

ADMISSIBILITY OF QUESTION RAISED DURING ORAL QUESTION PERIOD

Hon. Jean Lapierre (Shefford): Madam Speaker, I appeal to you to help me understand a Standing Order of this House, since I wanted to ask the minister of multiculturalism a question about a case of racism. In this House, ministers are responsible for the law on hate literature. We talked about racism and fighting racism and I do not know why my question was not in order. I would like you to tell me who in this House is responsible—

Madam Deputy Speaker: The Speaker was in the Chair at that time and he already made a decision. The purpose of questions asked during Oral Question Period is to call the government to account on the work of a department and that question in no way concerned the work of the minister or the department. The Speaker already gave his decision and I uphold it.

[*English*]

NOTICE OF WAYS AND MEANS MOTION

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, on March 10, the Minister of State for Finance and Privatization tabled a notice of a ways and means motion.

This motion appears to me to have been irregular, and I want to explain why. I asked the Chair to provide some guidance on this issue and to consider ruling out any further proceedings based on this notice.

The notice that I am referring to is short and I will quickly read it in its entirety:

> That it is expedient to amend the Excise Tax Act and other legislation respecting the implementation of the goods and services tax to give effect to the statutory measures that were announced by the Minister of Finance in the press release dated March 10, 1992 relating to the goods and services tax, to be applicable as specified in the announcement.

This notice on its own does not tell us much. It contains nothing of substance except to indicate that it will change the GST and that the changes are contained in a press release.

I do not think it is necessary as this point to take up further time outlining the important role of a ways and means motion or the strictures it places on the ability of the House to amend the bill based on it.

I accept that this is not the first time that a ways and means motion has referred to a press release or another non-parliamentary paper, but we have raised that general issue before. In fact the Speaker has ruled:

> There is nothing in our Standing Orders or in our practice to restrict all references in ways and means motions solely to documents tabled in the House.

I ask today whether that ruling has not been misinterpreted by those who prepared these notices. Surely that ruling was not intended to permit notices which contained as little real substance as that which was tabled on Tuesday.

After all, the Speaker qualified in his ruling of January 29, 1990 that:

> In considering whether a ways and means motion should only refer to documents tabled in the House, the argument appears to hinge on whether the House and members had access to the documents and that these documents were public in nature.

He further qualified:

> The terms of the motion itself which I have just outlined must serve as a beacon to guide members in drafting any amendments.

I suggest that the notice given to the House on March 10 does not meet this test. As a beacon, it will not provide very clear light on what amendments are or are not acceptable because it simply refers us to a press release that was released outside this House.

I do not think a motion to concur in this notice should be permitted. I ask the Speaker to rule that this notice is irregular and that there can be no further proceedings on it.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, as the hon. member for Winnipeg Transcona indicated in his comments, the ways and means motion was not different from others that have been accepted in the House.

Indeed I would refer the hon. member to a ruling by the Chair of January 29, 1990 when the same issue was raised by his colleague, the member for Kamloops.

That being said, I think it should be pointed out for the record that in fact when the ways and means motion was tabled, the press release referred to was part of the tabling. The information was there, but I do acknowledge that with a few changes on a word processor it would fit in more with the traditions of this place.

Even though what occurred was not out of order in terms of our practices and previous rulings, I think a change in procedure may be appropriate in this instance. We will make that strong recommendation to the Department of Finance.

• (1510)

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I wish to concur with my colleague from Winnipeg Transcona. We are intending to raise this when the government was obtaining concurrence.

However, the difficulty with the notice of the ways and means motion is that in accordance to the ruling to which my hon. colleague has made reference it was to be a beacon to guide members and I think, as members now know from the words of the government House leader, it is probably not appropriate and the recommendation the government House leader is providing is timely.

I would hope that this kind of practice would not continue in the future. The difficulty with this notice of ways and means motion is that it is incomplete and, I would go as far as to say, unintelligible.

The notice provides for the introduction of a bill to amend the GST along the lines described in a press release. However, the ways and means motion merely refers to that release which was neither appended to the notice as tabled nor subsequently tabled in the House itself. In other words, the House is asked to decide on an issue about which it has no official knowledge.

The parliamentary secretary is indicating something quite different. However I just wish to be on the record as concurring with my colleague from Winnipeg Transcona.

Madam Deputy Speaker: I have listened very carefully to the points made by the hon. member for Winnipeg Transcona, by the hon. member for Cape Breton—East Richmond and by the minister. There seems to be a way where things could be done in a more appropriate manner. Should things not be done to the satisfaction of hon. members, I am sure they will come back to the House and we can look at it at that point.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—FISHERIES

The House resumed consideration of the motion of Mr. Simmons (p. 8079).

Madam Deputy Speaker: The hon. member for Gander—Grand Falls has two minutes remaining.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, I am glad that the hon. Minister of Fisheries and Oceans is here. As I was saying this morning, the minister of fisheries will be appearing tomorrow afternoon at 1.30 at the law school of the University of New Brunswick. The posters say that he will be addressing the students and faculty of the law school concerning the fisheries.

As I was also saying this morning, he should explain why the department on the one hand issues press releases saying that it has to follow the Law of the Sea in giving quotas to foreign nations inside the 200-mile zone and then turns around on the other hand and says: "We have no jurisdiction over transporter stocks because the Law of the Sea was never ratified by the 60 nations to make it law".

I hope the minister will be able to explain that tomorrow afternoon to those bright young law students who will, as I understand it, have an opportunity to question the minister immediately following his address.

The issue is very clear. Canadians are not able to fish because the government says there is no fish inside the 200-mile zone, the major reason being that the foreigners are taking it outside the 200-mile zone. Yet the Government of Canada is able to give them cod quotas in 2G, 2H and 3N-O off the minister's riding. It was able to give tuna quotas a couple of weeks ago to Japanese vessels, to give them squid quotas off Nova Scotia, to give them mackerel quotas off Sydney Bight, to give them the quotas of what the minister and the department claims are under-utilized species to Canada. There is only one under-utilized species in this country under this government, and that is the fishermen and the fish plant workers of eastern Canada.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I want to compliment my hon. colleague from Gander—Grand Falls. I watched his performance and his involvement in the fishing industry long before I became a member of this House and I share, along with all my fellow Newfoundlanders and Atlantic Canadians, a great respect for the hon. member, who is something more than a folk hero and a great champion of the fishing cause in Newfoundland. I compliment him on his very substantive presentation.

I have heard him speak at length, both in Question Period and presentations in the House, on a fascinating subject, the so-called under-utilized species that has been caught in Canada, exported to another country and then comes back to Canada in a secondary processed fashion at a much higher price to the chagrin of fishermen and plant workers. It comes back to Canadians so that we have to buy the fish that we cannot catch because of the so-called legal implications of the Law of the Sea.

I am fascinated by that subject and I would like to ask the hon. member if he could give us a couple of more minutes on this aspect of the dreadful subject of foreign overfishing.

Mr. Baker: Madam Speaker, the hon. member is absolutely correct. As he was speaking, I could just imagine what the longlinermen here in Ottawa are thinking today. Here we have the Japanese who have just received seven large ship licences for tuna. Bluefin tuna are an endangered species today in the northwest Atlantic. They got five times the quota from this government that Newfoundlanders or Nova Scotians got within our 200-mile zone.

Out in 3M, that great spawning ground that was a recognized area of spawning called the Flemish Cap, outside the 200-mile zone, the Government of Canada lifted the moratorium last year for the first time in years and gave foreigners 12,900 tonnes and gave Canada 100 tonnes.

An hon. member: Wow.

Mr. Baker: The point being that I am not saying Canada should have been allowed the 12,900 tonnes. I am saying that nobody should have been given any quota out there in that spawning ground.

In answer to the hon. member's question, when you examine the figures from customs, you will see that the very type of fish allocated is under-utilized inside the 200-mile zone. That same type of fish is imported from every country that is given a quota inside our 200-mile zone, every country that violates the law outside. We also import the same fish back into Canada: Korea, Atlantic cod; Chile, Atlantic cod, brought back into our country. We are importing so much fish today that in the past eight months we imported from the EEC countries one third of the total amount of fish we export to them.

I will conclude with this. We even import from four nations to which we give fish aid, foreign aid. We also import some fish back from them. That is how serious the situation has become.

Perhaps the minister should think about this and say that we will forbid the imports of Atlantic cod from places like Korea and Chile.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): If the hon. member does not want just his colleagues on his own side asking him some questions, I would like to ask a question.

I wonder if the hon. member would agree with what is fact that no quota for tuna has ever been given to Japan by Canada. Any quota for tuna that Japan has is a quota given to Japan by ICCAT, the international organization that supervises international catching of tuna.

Never in the history of Canada that I know of has any quota for as much as the tail of a tuna or the nose of a tuna or the fin of a tuna been given to Japan by Canada. This is done by the international organization that supervises.

• (1520)

As I said earlier this morning, and I would like the hon. gentleman to confirm whether he heard this, we have allowed Japan for a number of years to fish within our 200-mile zone to catch a limited number of the tuna for which it has a quota from ICCAT. It is easier for it to catch that particular quota from ICCAT within our zone. In return, one of the quid pro quo from Japan is that it has invariably supported us in NAFO, the North Atlantic Fisheries Organization, and has invariably observed the conservation rules of that organization and has voted in the same way to support the causes that we support in NAFO.

Does the hon. gentleman suggest for a minute that there is something pernicious or terrible about our allowing one of our firm supporters in NAFO to catch some of its tuna quota given to it by an international organization within our 200-mile zone?

Madam Deputy Speaker: I am sorry to interrupt the hon. minister. The five minute period of questions and comments has expired. I am quite prepared to let it go on with unanimous consent and then I would allow of the hon. member to answer. Is it agreed?

Some hon. members: Agreed.

Mr. Crosbie: I will conclude my question. Does the hon. gentleman realize that Chile has no vessels whatsoever fishing in the northwest Atlantic? I do not know where Chile is catching the Atlantic cod unless the Atlantic cod has been transplanted somehow to Chile. Cuba might catch something out there, but certainly not Chile.

I would like the hon. gentleman to explain to me where all this Atlantic cod that Chile is said to be exporting to Canada is. What is the volume of it and how did Chile get it in the first place, since Chile has no trawlers fishing in the northwest Atlantic and has never appeared as far as I know in the northwest Atlantic? Could he explain to us what the problem is with allowing Cuba, for example, to catch some offshore squid if it appears in 4VWX, in that particular zone, when Canada has a huge surplus of squid which Canadians do not and cannot catch and therefore we permit a quota to foreign vessels?

The hon. gentleman mentioned cod in zone 2G and 2GH, far up north. Would the hon. gentleman inform the House whether any foreigners have ever caught any cod up there and in what quantities they have caught cod up there? Or is he simply attempting to cod the House and to cod the Canadian people?

An hon. member: I withdraw unanimous consent.

Mr. Crosbie: Great. I accept your withdrawing unanimous consent and now the member for Gander—Grand Falls cannot answer.

Would the hon. gentleman answer some of these questions and stop trying to fool the people of Canada and the members of this House with specious pretences that he is using fact?

Mr. Baker: Madam Speaker, let me take these issues one at a time. First of all, as far as squid is concerned, the minister asked what is wrong with giving Cuba offshore squid in 4VWX. Zone 4VWX is a zone just east of Nova Scotia. It fishes in what is called the silver hake box. It is 80 miles from the coast of southwestern Nova Scotia. It fishes there on what we call the 401 of squid that are born in Florida, as the minister knows. They go up the coast of the United States. They go around Cuba but they are too small to catch. They are just right to catch when they get to Nova Scotia. They are just big enough for the trawlers to intercept them. That is where Canada gives its 15 factory freezer trawler licences to Cuba.

The minister must realize that it was under his ministership that we restricted squid licences to all Canadians. Today squid is a restricted fishery in Newfoundland. Squid is a restricted fishery to Canadians.

Let me get on to another question. The minister refers to tuna and ICCAT. He made a very impressive little speech about tuna and ICCAT, the international organization.

There are only three countries that belong to ICCAT, Canada, the United States and Japan. They meet once a year on assigned quotas. This past year they met and they assigned quotas: to Japan, 1,300 tonnes of bluefin; to the United States, 800 tonnes of bluefin; to Canada, 570 tonnes of bluefin. Canada is the only one of those three countries that allows Japan inside its 200-mile zone to catch tuna. We are not allowed to go inside Japan's 200-mile zone or the zone of the United States to catch tuna. We have assigned Japan a tuna quota of 180 tonnes of bluefin off Newfoundland, which is five times the quota that is assigned to Newfoundlanders, with an unlimited quota of other types of tuna.

One final point that the hon. member made, he talked about flags. He asked where the Atlantic cod are coming from. It is on the customs reports into Canada in the past year. He asked about Chile and about Korea. They do not see any Korean flags out there. They do not see any Chilean flags out there. They see Panamanian flags out there, that is what they see. That is where those countries get their flags and the hon. member should know full well.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, let me say at the outset that we can say without unqualified hesitation that no one knows more about where squid comes from in the world than the hon. member from Gander. I would also say, more appropriately, that no one understands what is happening to the fishing industry and says it with more eloquence and more commitment than the member.

I want to join this debate to ensure that Canadians understand that this is not just a regional issue. As deeply as my colleagues from Newfoundland feel the ravages and the pain of their own fish workers and their own fishermen, this is an issue for all Canadians. This is an issue that affects every one of us. This is an issue that has ramifications and implications even beyond our own borders. It is very important that all Canadians stand up and be counted on this clear issue when there is such an incredible threat to one of the most valuable resources Canada has possessed for the last 400 or 500 years.

We like to talk about problems of holes in the ozone, but the much more real dramatic, environmentally sustainable development crisis facing us is right off the coast of Newfoundland today. It is that which we all have to speak out against and raise our voices to in order to understand that action is required.

I have to say that I was deeply and sorely disappointed when I listened to the minister speak today. I have always felt that when this minister takes on a cause he goes the full mile. He has never been reticent either about his own talents or about his own commitments. Listening to him today trying to defend the indefensible we find unacceptable. We tried to convince this House that this government was doing everything possible within its range of authority and jurisdiction to stop this overfishing. I went back and checked a few small facts.

He gave us a travel log of all the places that he and the Prime Minister and the Secretary of State for External Affairs have visited, trying to convince people in Europe and other places that they are in the wrong. Let us look at a few interesting facts. I suppose there is no better test of a government's commitment than where it puts it resources. Let us talk about the UNCED conference. This minister said: "By God, we are going to take a stand at UNCED". Why is it that the Department of External Affairs has cut its budget in half in terms of its commitment to UNCED in the next fiscal year? Is that a sign that it is prepared to take an environmental defence?

Last August, when the Government of Canada prepared its national report for the conference on environmental development, an incredible opportunity to state the case of the initiatives it will take on overfishing, what did it assign in this book of 300 pages? One paragraph was on overfishing. Not only that, it promised, in this very same book, a national, sustainable fisheries and oceans policy. That was last August. Have you seen this policy, Madam Speaker? No one else in the House has seen it. It is the best kept secret in the minister's back pocket. Here was an opportunity to use UNCED to state the Canadian case, put a policy on the table and it has disappeared.

• (1530)

Let me give a few other interesting facts in the estimates book of the Department of External Affairs. The most important aspect that we can undertake is the legal department right now. We need the best legal minds in this country working out the kind of presenta-

tions that we are going to have to take. What has the Government of Canada done? It has cut the legal affairs division of external affairs by almost $2 million. Where is it going to get the lawyers? Where is it going to get the research to mount the kind of battle that is going to be required?

Furthermore, not content with just cutting its own bureaucrats, it totally wiped out the world renowned International Centre for Ocean Development which has provided, over the years, some of the best research on fishing, on environment, on ocean management and on the international Law of the Sea. We do not even have the kind of intellectual muscle to go to work on behalf of Canada because this government does not believe in providing the kind of sound, hard reasoning.

Do those few facts alone tell us that this is a government that really cares, that really is committed, that is going the last mile and using every resource possible? Hardly, Madam Speaker. Maybe the best reason is that I do not think it believes in what it is doing. I think it is all for show.

In fact, I will give a final commentary. The information campaign that was supposed to inform the rest of the world about the problems in the northwest fishery has also had a line in the budget, from $135,000 to 0. This is a government that is standing up for the northwest fishery, but it cannot bother to spend 5 cents to let the rest of the world know what the problems are. Is that a government fully committed to the battle? Is that a government going to the barricades with all swords brandishing? It seems to me it is a government that is meekly, sneakily crawling off into the night because it does not have a case.

Let me come to the crucial issue. We all know that this thing must be resolved in an international context and that is why I want to speak today, because I find that the arguments used by the Prime Minister, the Minister of Fisheries and Oceans and the Secretary of State for External Affairs to be weak and fallacious when it comes to the right of Canada to take a stand.

I heard the minister this morning and he said: "We have freedom of the high seas. International law backs us on this issue. Canada has no authority beyond 200 miles. We do not recognize it. We are going to continue to fight if it comes down to a question of confrontation." He said: "We are limited. Once we get out of that 200 mile zone it is like a wall we cannot climb."

Twenty years ago when a previous government was faced with a serious environmental problem in the Arctic waters this Parliament was given a bill called the Arctic Waters Pollution Act which established unilaterally the right of Canada to protect on behalf of the entire international system those precious, delicate, fragile Arctic waters. That was a unilateral action.

As a result of that unilateral action we were able to push the rest of the world into recognizing the right of coastal states to defend environmental requirements beyond its own. We took the initiative, we established a case and the rest of the world agreed. That is why in the resolution presented by my hon. colleague from Burin—St. George's we say it is time for this government to take action, to bring legislation into this House, asserting the right of Canada to exercise management in that area on behalf of the entire international environment.

We are not asking for a bigger grab bag for Canada. We are saying that if somebody does not take action there will not be any cod at all. It will be a resource that will virtually disappear as a sustainable food resource for the rest of the world. To give that kind of legislative initiative some credence and credibility, this government today, as soon as it can, must ratify the international Law of the Sea.

It is tragic and criminal that one of the most important international initiatives undertaken by Canada during the 1970s, up to 1982, signified that there has to be a rule of law on the high seas where there can be a dispute settlement mechanism. This minister was the minister of trade.

He used to run up and down Canada saying: "We have to have a dispute settlement mechanisms". The Law of the Sea has a dispute settlement mechanism, but because President Reagan in 1982 picked up the phone and said to our Prime Minister: "Back off, Brian", we are no longer prepared to become a major advocate or supporter of the Law of the Sea. Canada, to its disgrace, has yet to ratify that fundamental, international law.

When this minister and the Secretary of State for External Affairs say that they are doing everything they can, all we can say to them is: "That is hogwash. That is nonsense. We cannot believe you, because you know what the steps are. You know what your rights are. You know what the opportunities are, and you are not taking them."

If we were to sign and ratify the Law of the Sea, we could clearly establish the need to use it to provide a clear and unmistakable authority to provide for the conservation of the fishing stock beyond the 200-mile zone. That is a clear and obvious alternative for Canada to exercise under the rubric of international law.

For the sake of me, when there are such crucial resources at stake, I cannot understand why this minister and his government is so negligent in its response.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, I would like to ask a question, or perhaps two questions.

First, the hon. member refers to the estimates. I do not know what item appears in the estimates for public relations spending, et cetera in connection with this matter but I can assure him that I am making provision for the year 1992-93 for the spending of many times $100,000 in connection with public relations campaigns to get on our side environmentalists and others in connection with this issue.

There will be more than adequate funding available for anything we need to do in the way of promoting the campaign to confirm and establish what the facts are with respect to this overfishing outside the 200-mile Canadian economic zone, hopefully to get the nations of the world onside and ready if we have to take some kind of action such as the motion proposes, ready to be supportive of that action.

I would like to ask the former minister this. He referred to the Arctic pollution regulation or the action taken some 20 years ago in the Arctic. He must surely realize and recognize that it was an entirely different situation in connection with the Arctic. The action taken was not recognized and approved by the rest of the world.

By now, of course, it may well have been. The only party that had any active interest in the area at all was the United States. While I would have to do some research on this to get the exact facts, it certainly was not supportive of our action and I am sure protested it. Because we were taking action in an area that other nations were not occupying and a region that they could not get to, we had a good chance of some success with respect to that unilateral act.

A unilateral act taken along the lines of what is proposed in this resolution are surely quite different. It would be our extending our jurisdiction in connection with fishing matters, the management of fisheries out beyond 200 miles and in fact out to about 280 miles to the nose and tail of the banks in an area where many other countries are, at present, fishing and exercising high sea fishing rights so that there would be an immediate clash between our action and their exercising what they think are their rights under international law.

We would immediately have conflict and confrontation with at least five, six or seven other nations, including the European Community, which is a very powerful combination of 12 other countries.

• (1540)

Surely the member will admit that these are two different fact situations. If we are to even contemplate taking the kind of action that the resolution proposes, we have to set the stage so that a considerable part of the world and other nation states are ready to say: "Yes, this is an action that is justified. This particular state took every conceivable step it could to have this resolved and now it has taken a unilateral act".

It is this unilateral act that the rest of the world should be prepared to accept. That is the position we have to get ourselves in. Surely he will admit the fact situations are quite different.

Mr. Axworthy (Winnipeg South Centre): Madam Speaker, I will take both those serious questions and respond in like time.

First I would say to the minister I am more than pleased to hear that he will take up the slack that his colleague, the Secretary of State for External Affairs, has allowed to develop. I want to say to the minister in return, is his own department of fisheries prepared to pick up the major subtraction of legal fees, the cancella-

tion of the Ocean Development Institute, the support for the UNCED conference?

I want to say to the minister that he needs the backing of his colleagues. It is time he stopped fighting the battle himself. It is about time his entire government got behind him on this issue. While he may be prepared to fight it, it is clear his colleague from external affairs is not prepared to fight because, by her own actions and where she is cutting her budget, we can see that there is just no interest in the issue at all.

On the question of precedent, international law is not like domestic law. There is no central world government that can make decisions. To use the words of a lawyer, it is a "horizontal legal system". The precedent is an evolving one, usually undertaken by different countries that take initiatives, establish certain rights which then become accepted or then get codified into some kind of regulation or some kind of international agreement. We cannot go to some international legislature and petition for them to pass a law.

Changes in the international law only come about when individual countries make their case. I want to make this observation to the minister. If he looks at the international Law of the Sea, article 116, it is clear that it gives the dominant preference to coastal states. If I might quote a fairly senior and learned international lawyer: "Article 16 gives the right of coastal states to issue the kind of orders on conservation beyond the 200-mile zone". Other states would have to respond to us with that initiative. That is the kind of international law we are asking the minister to assert.

Of course we want other countries to agree. I would simply make this observation. The other countries will not agree until we take the action, until we take the initiative. That is what this resolution is about and why the government should support it. If we took the initiative, brought in legislation, then went abroad, then we could begin to establish a new set of international laws as it pertains to the conservation of our fishing resource.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Madam Speaker, I welcome this opportunity to take part in today's debate on the motion of the hon. member from Newfoundland on the state of Canada's east coast fisheries.

[*English*]

Madam Speaker, I am sure that some members here today remember the Atlantic fishery in the early 1970s.

Canada's territorial sea had just been extended to the 12-mile limit. The waters beyond 12 miles were entirely international and we used to refer to them as the high seas.

I would like to take this opportunity in considering the motion before us today to remind hon. members of the tremendous progress that has been made in recent years and to describe some of the real measures that can and are being taken by Canada to protect fish stocks.

In the early 1970s, fish stocks beyond Canada's 12-mile territorial sea continued to be severely overfished and were crashing to an all-time low. At the same time international experts were meeting at the third United Nations Conference on the Law of the Sea.

By 1976, a consensus had emerged that national jurisdiction had to be extended 200 miles to protect the interest of coastal state fishermen and to protect conservation needs of living marine resources.

On January 1, 1977, Canada extended its fisheries jurisdiction to 200 miles, consistent with what would become a fundamental principle in the 1982 United Nations convention on the Law of the Sea. This was a tremendous gain for Canadian fishermen. It meant that Canada achieved exclusive jurisdiction over more than 40 important fish stocks on which Atlantic Canadian fishermen depend.

But the new 200-mile zone did not encompass the entire extent of the Grand Banks, leaving two small portions known as the nose and the tail beyond our zone in international waters.

Five important groundfish stocks could be found both inside and outside the new 200-mile limit. These straddling stocks, as they are known, remain vulnerable to fishing by foreign fleets. In addition, three other

groundfish stocks remain entirely outside Canada's 200-mile zone in an area known as the Flemish Cap.

To ensure that stocks occurring beyond the Canadian zone were properly managed, 11 countries whose vessels had traditionally fished in the northwest Atlantic joined with Canada to form the Northwest Atlantic Fisheries Organization, known as NAFO.

The NAFO convention created a framework for international co-operation to ensure the optimum utilization and rational management of the northwest Atlantic fish stocks and recognized the special interest of the coastal state Canada, in conservation and management of these stocks.

Until 1986 NAFO worked well in the best interests of all its members including of course, Canada. Scientists from all NAFO member countries assessed the state of the stocks every year and provided the scientific basis for annual management plans. NAFO members agreed on total allowable catches, known as TACs, and national quotas.

Member countries respected the TACs and quotas. NAFO members also agreed to a wide range of conservation measures like mesh size and inspection schemes. NAFO established for itself a solid reputation in both scientific assessment of fish stocks and in fisheries management.

This conservation regime was successful in maintaining and rebuilding fish stocks. TACs for most NAFO stocks actually increased in the early 1980s.

Then in 1986, Spain and Portugal became members of the European Community. The European Community then began a policy of overfishing outside Canada's 200-mile limit. The EC decided to ignore NAFO conservation decisions and instead to conduct a unilateral excessive fishery in the waters just outside the Canadian fisheries zone. In this way the EC simply took advantage of the fact that the 200-mile zone does not protect all the fish stocks that spawn and live on the Canadian Grand Banks.

Since 1986, EC fleets have taken cumulatively more than 400,000 tonnes above their NAFO quotas in the northwest Atlantic. They have hit straddling stocks of flatfish such as grey sole and flounder so hard that NAFO TACs for those stocks have been cut in half since 1986 to avoid total depletion.

Fishing vessels fishing under EC flags have also been joined in the last few years by vessels flying so-called flags of convenience or of states that are not members of NAFO.

• (1550)

In 1991 a total of 28 such vessels fished in the NAFO area and are estimated to have taken about 43,000 tonnes of fish including 7,000 tonnes of northern cod. Though they were flying the flags of countries like Panama, 19 of these vessels were crewed by either Spanish or Portuguese. The other nine were either registered in Korea or crewed by Koreans.

Overfishing in the NAFO area has focused attention, and quite rightly so, on the action of the small number of countries that do not respect NAFO rules.

But it is important for Canadians and for members of this House to realize that only one NAFO member has overfished in the NAFO area. Seven out of the eight active NAFO members besides Canada, namely Japan, Russia, the Faroe Islands, Norway, Denmark, Poland and Cuba support fishery conservation, respect their NAFO quota and have a long-standing record of co-operation with Canada.

Canada's international fisheries policy has built upon the co-operation and support of those countries to do exactly what the hon. member's motion suggests, to save a national industry and a way of life in Atlantic Canada.

Canada has not isolated itself or acted alone in protecting its fisheries resources. Instead we have worked with countries that share our objectives for conservation and rational management.

In 1977 as Canada was preparing to extend jurisdiction to protect coastal communities, agreements were reached with all our important fishery partners. They agreed to recognize the new Canadian fisheries zone and to co-operate with Canada on conservation. This was essential for Canada.

In 1976 there were over 100 non-Canadian vessels fishing in the waters that were to fall within Canadian jurisdiction. On January 1, 1977 Canada assumed control of these waters without encountering resistance.

In return Canada gave access to Canadian waters and ports to the countries with which it had signed fisheries agreements, with one important difference. They now fished only in locations permitted by Canada and only as

long as they respected all the relevant Canadian laws and regulations.

[*Translation*]

As the Canadian fishery and its markets expanded, the volume of fish stocks allowed foreign vessels within Canadian waters went down. In 1986, Canada announced another change in its international policy: only fish surplus to Canadian needs, fish that Canadian fishermen could not use, would be allocated to foreign fishing fleets. Since then, other countries—with the exception of France, which receives allocations under a fishing agreement that acknowledges the special status of the French islands of Saint-Pierre and Miquelon—have only fished surplus fish stocks in Canadian waters.

What does this mean? It means that groundfish allocations for foreign vessels dropped from 370,000 tonnes in 1977 to 80,000 tonnes in 1991. During the same period, quotas for Canadian fishermen rose from 300,000 tonnes to 815,000 tonnes. In the past two years alone, under the Groundfish Enhancement Program which gave Canadian companies a chance to develop a fishery of species that had not been used before, Canadians caught 40,000 tonnes of fish formerly allocated to foreign vessels, including silver hake and Greenland halibut in the Davis Strait.

Madam Speaker, we must remember that international relations did not destroy the Canadian fishery but actually contributed to its development. A well-known figure in the Canadian fisheries industry recently told the *Evening Telegram* in St. John's that when they were fishing within the 200-mile limit under joint ventures, foreign vessels had a positive impact on many Canadian companies and communities. Positive international relations made such joint ventures possible. In fact, we are seeking the support of these countries during the crisis in the Canadian northern cod fishery.

As members of this House are well aware, there are still a number of serious problems that must be dealt with if we are to improve conservation in the northwest Atlantic. The biggest challenge to NAFO is the need for effective control measures to deal with a small number of fleets that are overfishing in the regulated zone, in other words, on the nose and tail of the Grand Banks.

[*English*]

NAFO has been making responsible quota decisions and putting in place the necessary conservation measures. These are being violated in the following ways. Spanish and Portuguese vessels fish far in excess of the quota set for them. The Iberian vessels violate not only the quota set by NAFO but also the unilateral quota set by the European Community. Spanish and Portuguese vessels do not comply with NAFO fishing regulations such as mesh size.

This is what makes it so devastating when they fish on the tail of the Grand Banks, in the nursery area for American plaice and flounder stocks.

The NAFO scientific council has reported that the flounder caught by Spanish vessels outside the 200-mile limit are much smaller and younger than those that Canadian fishermen are permitted to catch inside the Canadian zone.

Spanish and Portuguese vessels misreport their catches. A common ploy is to fish for stocks that are regulated by NAFO such as cod and flounder but to report catches of species of fish that are not regulated by NAFO, such as skate. Many fishermen know these tricks and some may try to use them if they think that they can get away with it.

It is worth while to stress that last point. Effective control of fishing activities inside the Canadian fishing zone or international waters is making sure that fishermen will not get away with it and that they know they will not get away with it.

Effective control of fishing activities can be achieved. By and large we have achieved it inside the Canadian fishing zone and we are continuing to address remaining deficiencies. The same can be true in the NAFO area. The problem can be solved. Solving the problems, making sure that fishing activity on the nose and tail of the Grand Banks is effectively controlled is now the focus of Canada's effort in NAFO.

We know that NAFO must have, and must have soon, an effective system for ensuring that catches do not exceed quotas and that fishing regulations are respected. Otherwise there will be no fish left for any fishermen.

There has been some progress since Canada made this a priority in 1990. A new NAFO hail system came into effect in 1991, similar to the system we have inside the Canadian fishing zone for both domestic and foreign fleets. Vessels have to hail their positions when they enter and exit the NAFO area and when they change divisions within the area.

On Canada's initiative NAFO member countries approved last fall the use of aerial surveillance to monitor compliance with the hail system. If there is a difference between where the vessel is observed by the aircraft and where it is said it would be, the vessel may be cited for an infraction of the hail system. This will make it harder for vessels to misreport where they were fishing.

The additional resources the government is now putting into both aerial and surface surveillance along the 200-mile limit and the nose and tail of the Grand Banks, $28 million annually, is paying off.

In 1991 Canada logged over 3,000 hours of air surveillance, recorded 4,600 individual vessel sightings and conducted some 310 inspections of foreign vessels in the NAFO area, 285 inspections on European Community vessels alone. These surveillance efforts enable us to keep track of activity in the area and to keep NAFO informed of any apparent infringement of the NAFO rules.

With the hail system, aerial surveillance, NAFO inspection, this is a good start but clearly there is still a lot more to do to achieve control of fishing activity in the NAFO area.

• (1600)

Action cannot be delayed. This is why Canada sought a special meeting of NAFO to discuss enforcement issues and to get the agreement of other NAFO members on measures to be adopted as soon as possible in 1992. Other NAFO members have agreed and a special meeting will take place in May at the NAFO headquarters in Dartmouth. Canada will pursue a number of initiatives at that special meeting.

[*Translation*]

An important point is including catch reports as part of the radio reporting system. Vessels will be required to report their catches when they report their geographic location. This information will be a great help to authorities of NAFO member countries who are asked to keep track of catches by their vessels, and also to fisheries inspectors who board vessels to check whether quotas and other NAFO regulations are observed.

Canada would also like to see a regulation that would oblige vessels fishing in the NAFO-regulated zone to show their logbooks to NAFO inspectors, who would then be able to check log entries and compare them with the catches stored in the ship's hold.

We also would like to see changes in NAFO reports that would make it easier to spot vessels accused of violating NAFO regulations and to know what coercive measures were taken to prevent further violations.

Creating an international observers program within the NAFO zone, similar to the one that has been so successful in Canadian waters, is another item on the agenda of the organization's special meeting in May.

Other NAFO members have told us that an observer program would be very costly and difficult to administer. However, what could be more effective than a program that puts observers on board fishing vessels to remind fishermen that they must observe NAFO quotas and other regulations?

There are a number of other surveillance and control mechanisms that could be adopted by NAFO later on. The use of electronic procedures to track ship movements is now common practice. NAFO members are considering a system that would control the number of vessels allowed to take fish stocks subject to quota by NAFO. Some countries have already taken steps along those lines. Another option that will be discussed at the special meeting is bilateral agreements on regulation enforcement, similar to the international agreements applied to salmon fishing in the northern Pacific.

In concluding, Madam Speaker, I would urge members to reflect on the progress that has been accomplished since that memorable day in 1977, when Canada assumed responsibility for fish stocks within its new 200-mile limit. There are still problems that remain to be solved, but during the past 15 years, Canada has entered into international alliances and designed mechanisms that can and should be used to deal with the present crisis. All this was achieved within the limits of international law, because this country has always recognized the rule of law.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I am happy to have the opportunity of seconding this opposition motion today and I would like to repeat it for our viewing audience because I think it is important that we understand exactly what we are putting forward in the House today.

In the opinion of this House, in order to prevent further ecological disaster through the pillaging of transboundary fish stock off Canada's east coast, and in order to save an essential national industry and valued way of life for many rural citizens, Canada should take immediate steps to extend its functional jurisdiction to the nose and tail of the Grand Banks. This was put forward by my colleague from Burin—St. George's.

I have listened carefully to the debate today. As my colleague from Burin—St. George's said earlier, this is an environmental crisis. He said that we are all in this together. He suggested that the tone of our debate should be constructive. We are naturally trying to prod the government into taking more aggressive steps but we are not trying to point fingers without coming up with some constructive criticism.

I have been listening all day and I keep hearing the words sustainable development, that we are all operating on the premise of sustainable development. I guess it was in 1988 that my colleague from Restigouche—Chaleur, when he was putting together a bill on forestry, requested in committee that the definition of sustainable development be put right into the act, not just the words, but the definition. It was defined. Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

My colleague from Restigouche—Chaleur was very insightful when he requested that definition. When you repeat that and you keep going back to that definition, it is something that every person in the world should understand today. Therefore, when we talk about a situation that is happening in Newfoundland, off the coast of Newfoundland, if we really are as a world community buying into that sustainable development, whether the Law of the Sea is ratified or not ratified, or whatever the limits are in terms of our 200-mile limit, 200 or 250, if we are not operating on the premise of sustainable development, then that is the fundamental environmental law that is being broken. We know now that the law of sustainable development is being broken, so what we have here is a serious communications problem.

The minister of fisheries said that he has travelled the world speaking to foreign ministers of fisheries, talking at the United Nations and in all kinds of different international forums. He basically said that nothing was happening. If something as fundamental as an ecological disaster like this is happening and our minister is taking all these steps to communicate what is happening, then there is something wrong with the communications. The communications strategy or the content of the communications is not working. What we have here is an ecological disaster that is worse than the Valdez oil spill. What we have here is something that is as bad as the Brazilian rain forest. What we have here is something that is as bad as the oil spill in the Persian Gulf. Look at the amount of world attention that was garnered for those environmental disasters. This is an environmental disaster no less serious than those three.

I do not want to get hung up on the law. All of these laws are important and I agreed with everything that was said today. Our communications on this environmental disaster are lousy. Sometimes we have to take a lesson from some of our American friends—I hate to admit that. Look at the plight of the farmers in the United States. I see Willie Nelson and his "Farm Aid", which is something he has done for five or six years in a row now. There is not a network in the world that does not cover it, does not bring focus and attention to the issue.

• (1610)

Maybe we should be looking at something like that. Maybe we should have something like "fish aid". Maybe we should be calling in the Bryan Adams, the Anne Murrays. Maybe we should be using some of that Canadian entertainment talent that is respected all over the world, and say that we have an environmental disaster on our hands here and we need help. We are not going to do it by just debating on the floor of this House.

Last Friday night a constituent of mine from Newfoundland, Jim Martin, brought in a tape he had just completed. The title of the tape was *The Rape of the Grand Banks*. I was in my constituency office on Danforth and I put the tape on and we listened to it. Within five or ten minutes there were about 15 or 20 people gathered around listening. The power of music in communicating a problem like this is something that we should not overlook.

Right now we have some of the best entertainers in the world. Here is a crisis on the environmental side. They have certainly gone to the rescue of other environmental disasters around the world. Maybe we should ask them if they would help us out on this problem.

The names that keep coming up today are Spain and Portugal. What are we doing? What is Canada's presence at the World's Fair in Seville this year? What are we doing there as a government? Are we going to have one of those big exhibits that just mentions the terrific tourism features of Canada? Are we going to have something that just boasts of our manufacturing? Maybe we should use that World's Fair to talk about this ecological disaster. Maybe we have to develop a little more of a flair for the dramatic. Maybe we have to take a page out of the Greenpeace book. Maybe we have to enlist Greenpeace. I remember being here in 1980 and 1981 when Greenpeace and every other environmental organization in the world dropped hundreds of thousands of post cards on every member's desk protesting about the seal hunt. It certainly had an impact. This crisis is 10 times larger than the seal hunt but we are not communicating that.

Today I read the pamphlet of the minister of external affairs, this beautiful glossy pamphlet entitled *Canada and the World Environment*. As I read through this I thought it was a flawless document. There was not anything in there that anyone could argue with. We have to take the words that are in this document and somehow bring them to life, give them meaning. I would humbly suggest to the government that when we have a crisis here in our country, bigger than the Valdez oil spill, bigger than the spill in the Persian Gulf, as big as the rain forest disaster, then we must communicate it.

If our own Government of Canada communications systems are not equipped or are not creative enough to really bring the CNNs of the world to the crisis, then let us go to the best in that field and start getting world attention in order that we can solve this problem.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I have listened very carefully to what the hon. member has said and I must say that I agree with him on several points. It is unfortunate, however, that so far all of Canada's efforts in the international forum to draw attention to the disastrous situation of northern cod stocks and the impact of their depletion on the fishing industry in Atlantic Canada did not yield the expected results.

I would like to remind my hon. colleague that, if Canada contemplated for instance a resumption of seal hunts in the winter months, as traditionally practised by Atlantic Canadians, I am convinced that all conservation groups, including Greenpeace, would come right out and launch a huge protest campaign.

Why are organizations apparently dedicated to conservation, to the preservation of the environment, such as Greenpeace, not showing concern for the disastrous situation created by the depletion of northern cod stocks and its economic, social and human impact on communities in Atlantic Canada?

He seems to know a great deal about promotional programs, publicity stunts, spectacular actions. Perhaps he could contact groups like Greenpeace and help us alert them to this situation.

[*English*]

Mr. Mills: Mr. Speaker, I thank the member for his question.

There is an organization that exists, I think at arm's length from the Government of Canada, yet the Government of Canada supports it. It is called the National Round Table on the Environment.

The member knows of this organization. It is an integrated organization of government and private sector people from all over the country, from all sectors of the economy, that deals with all issues related to the environment.

I have been following this organization closely in the last year. It seems that it has a very different way of communicating its message. It is much more flexible in its communications strategy and its communications approach. It seems to have a good relationship with a lot

of these non-governmental environmental organizations.

I would suggest that maybe this quasi-government organization, the National Round Table, which I believe reports to the Minister of the Environment or the Prime Minister, should perhaps be mandated to develop the communications strategy. Maybe it could be the bridge to all of these environmental groups that sometimes have difficulty in dealing directly with government agencies.

I am not suggesting for a second that getting Greenpeace to take up this cause is going to be easy. I am not sure that we are trying hard enough. That is my point. Quite frankly, if the minister were to write a letter to all these environmental organizations and they refused to assist, it would taint the credibility of the organization. Although we have had bad experiences with them in the past on other issues, where maybe we questioned their motives, this should not stop us from asking them to address probably the most serious environmental disaster we have ever had in our country.

• (1620)

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, it is a pleasure for me to participate in this debate today. It is good that the House is taking the time to look at the problems facing the Atlantic fishery, but as was said, we have to debate the problems.

I look forward to the day when we can talk about the tremendous success in the fishing industry and how prosperous the communities are.

The motion today is about extending the jurisdiction to control of the nose and tail of the Grand Banks.

Problems in the Atlantic fishing industry are not new. The people of the region have made their living from the sea for literally hundreds of years, having come from England, Scotland and Ireland. Fishermen have had to endure the dangers of nature, the dominance of merchants and isolation. Nor is the problem of overfishing new.

In the eyes of many people in Atlantic Canada the problems in the fishery are caused by two things, foreign overfishing and government inaction on the overfishing. For years fishermen, unions, plant workers and companies, all of these people, have been telling government to take firm action on foreign overfishing.

When the current crisis started back in the late 1980s, the government appointed Leslie Harris of Memorial University to study the northern cod stocks and to make recommendations. In his report, Dr. Harris said that while Canada must pursue a negotiated agreement over the control of the nose and tail of the Grand Banks, I quote:

> The setting of the Total Allowable Catch and other management decisions ought, in logic, to be the responsibility of a single regulatory authority which, in the instant case, should be the Canadian government.

Everybody agrees that a negotiated settlement giving Canada control of the entire Grand Banks is preferred to acting on our own. However, for a number of years the government has been pursuing this with absolutely no progress. In fact foreign overfishing on the nose and tail has increased. The government has sat idly by and and watched the Spanish, Portuguese, Germans, Koreans and others taking our fish. In the formal recommendations to the report Dr. Harris said, and I quote:

> That Canada should seek international agreement to permit its management of all fish stocks indigenous to the Canadian Continental Shelf, and that extend beyond the two hundred mile economic zone; and, that failing achievement of this objective, Canada should take unilateral action to acquire management rights in accordance with provisions of the Law of the Sea Convention.

The key words are "take unilateral action". However, action seems to be a foreign word to this government.

On a number of occasions my colleague from Bonavista—Trinity—Conception has outlined the historic precedent that would allow Canada to take over the nose and tail of the Grand Banks. From what I understand, one of the key requirements of the government is to extend the jurisdiction which would have the ability to enforce its jurisdiction.

Just over a year ago, the Canadian government sent the navy halfway around the world to stop a madman from destroying a country. The government was defending freedom, it said. Well, what about defending Canadian fishermen? What about defending our environment?

Right now a number of fishermen from Newfoundland are preparing to go to the nose and tail to challenge foreign vessels stealing our fish. Experts in the matter from Iceland are providing advice. While it is nice to see fishermen take strong action against the foreigners, they

should not have to do it. It is not the job of the fishermen to protect Canadian sovereignty, it is the job of the federal government. The only job fishermen wish to do is to go out and catch fish, have a fair supply and receive a fair return. Unfortunately, the government is asleep at the switch and is not defending our interests.

Nobody is really talking about the navy blowing the Spanish trawlers out of the water. What we are talking about is using the navy and the Coast Guard in an effective and aggressive way to protect our interests. If we can protect Kuwait, surely to God we can protect ourselves.

Members opposite have a habit of going back 10 or 20 years to find bad things the Liberal government did. One thing they will never find is a Liberal decision to abandon Canadians in time of need in the name of diplomacy. The Liberal Party has always defended the interests of Canadians, first and foremost. When action was needed, Liberals took action.

We have a government that is sitting on the sidelines talking. Talking might be fine for the embassies of Europe, but it is doing nothing for the Canadian fishermen. The government has tried the diplomatic route and it has failed. Now the government must move to extend Canadian jurisdiction to the nose and tail of the Grand Banks. Anything less than this is unacceptable. If the government fails now, the fishery could be destroyed. For the sake of fishermen, plant workers and people in Atlantic Canada, I urge the government to end this destruction and stand up for the Canadian fishermen.

Mr. David Kilgour (Edmonton Southeast): Would the member be kind enough to give us his view as to why the weak-wristed people opposite, and I see the minister of external affairs opposite, have not seen fit to ratify the Law of the Sea convention? Perhaps he has a view on that. I think most of us in this House find it to be very hard to swallow when we hear it, and I suppose we will hear shortly from the minister, getting up and telling us why it is that they cannot ratify the Law of the Sea convention. The minister might not have heard the minister of fisheries this morning who was asked that question very clearly. He got up, and after comparing himself to Sylvester Stallone, did not even grapple with the question, let alone answer it.

Mr. MacAulay: I want to thank my hon. colleague. When we look at the problem of overfishing and the quotas, the European Community was given 20,049 metric tons and they indicated they fished 46,000. Our figures indicate they fished 58,000 metric tons. This was quota, fish they received quota for.

The fish they did not receive quota for, it is indicated they took in total 152,950 out of a total quota of 20,049. From what I understand, the Law of the Sea gives preference to coastal states. I think now we are in a desperate situation on the east coast and the nose and tail of the Grand Banks. It is time that we take action in this country to stand up for the fishermen and extend control to the nose and tail and then see how it will be dealt with. If we do not take unilateral action and move in this country, there will be no reason to move very shortly. The fishery will be destroyed and the stocks will be gone. Now is the time to stand up for our Canadian fishermen.

Hon. Roger C. Simmons (Burin—St. George's): First of all, I want to say how much I appreciated the remarks by my friend from Prince Edward Island from the riding of Cardigan. He knows better than most members in this Chamber, I submit, certainly better than many what job loss means to rural Canadians, whether they live on Prince Edward Island, Newfoundland or elsewhere in this country. Many of his constituents are fishermen and many are farmers, but all of them, like my constituents, are really the subject, the guts of this particular motion that we are discussing today. These are people who live close to nature, close to the earth, close to the sea in the case of the fishermen.

• (1630)

I would submit that he, better than many people in this Chamber if there were time, could relate to us the kind of devastation, the kind of heartache that results when men and women have their livelihood yanked out from under them and have their way of life under threat.

I had no particular question for the member, but I just wanted to take the opportunity to thank him for what he said in this debate. Having a voice from Prince Edward Island to lend to the growing call for some action on this

issue is extremely encouraging and I just wanted to thank him.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, we have already heard from a number of my colleagues, including the Minister of Fisheries and Oceans, on the problem of foreign overfishing in the northwest Atlantic, the impact on the stocks, the measures needed to achieve sustainable development of the fishery and the tremendous efforts that the government is expending to resolve the problem and to ensure a viable future for the communities affected.

Well unfortunately we cannot create the fish, but if the hon. member is prepared to listen, which would be unusual for him, perhaps he might learn something.

The severe depletion of the northern cod biomass is only the most recent example, although it is certainly the most critical, of the precarious balance of nature, in this case in the northwest Atlantic, and the serious consequences when international management measures are disregarded.

The economies of the Atlantic provinces and Newfoundland in particular, are facing yet another blow with further plant closures, tying up of fleets, increased job losses. The tragic consequences of human suffering and hardship involved are only too evident and it is something on which the government is focusing all of its efforts.

[*Translation*]

The hon. members of the opposition raise the question of what is to be done to solve the problem. The government is pursuing a very clear strategy to this end and, while my colleagues have spoken to a number of its specific components, I would like to review it further with you. But there are a number of general points which must be emphasized in preface.

There is an international framework within which we carry out our strategy. The provisions of the Law of the Sea convention with respect to conservation of living marine resources of the high seas represent customary international law. The Northwest Atlantic Fisheries Organization which derives from the Law of the Sea is the responsible regional fisheries management body. The United Nations which provided for the convening of the Conference on Environment and Development is a key multilateral forum for the resolution of international problems by peaceful means.

Bilateral diplomacy has a host of mechanisms aimed at the resolution of differences. But because each nation is sovereign, progress is often too slow and painful. One needs to make use of every possible avenue to ensure that a problem receives the priority that is warranted and that pressure from every source is exerted to achieve a resolution.

[*English*]

This then is the essence of the government's strategy. Most of the fishing by foreign fleets and all of the overfishing is taking place outside 200 miles in international waters where Canada has no jurisdiction except in relation to Canadian vessels.

Under the Law of the Sea, states have the duty to take such measures for their respective nationals as may be necessary for the conservation of the living resources of the high seas. They also have the duty to co-operate with other states or with regional organizations. But flag states alone have the legal authority to enforce against their own vessels.

The problem of overfishing is centred on the activities of vessels from the European Community, principally Spain and Portugal, and to a lesser extent from a few countries that are not members of NAFO, notably Panama and Korea.

[*Translation*]

I would emphasize that most of the countries that fish in the NAFO area—Japan, Russia, the Faroe Islands, Norway, Denmark, Cuba—support fisheries conservation, respect their NAFO quotas and cooperate with Canada.

[*English*]

Since 1986 however when the EC began to set its own unilateral quotas, EC vessels have reported catches of cod, flounder and redfish totalling more than 530,000 tonnes as against NAFO quotas of 100,000 tonnes. Non-NAFO vessels have caught more than 165,000 tonnes.

Since 1986 the EC and those other countries that do not co-operate with Canada by respecting the conservation decisions of NAFO have not been eligible for benefits in the Canadian zone. Their fishing vessels are barred from Canadian ports except in emergencies. They are not accorded allocations of surplus fish from under-

utilized species in the Canadian zone. They are not eligible to take part in commercial ventures involving any fishing by their vessels in Canadian waters.

These restrictions however have failed to induce the co-operation that we sought and vigorously pursued. The cumulative impact had begun to take its severe toll and in 1989 this government initiated a comprehensive campaign bilaterally and multilaterally aimed at ending foreign overfishing in the northwest Atlantic outside the 200-mile limit.

[*Translation*]

We will be pressing ahead on all fronts in 1992. The Minister of Fisheries and Oceans has laid out an ambitious plan of objectives and initiatives for the first half.

[*English*]

We have undertaken a high-level political initiative lead by the Prime Minister to ensure leaders of the EC, its member states and other nations are aware of the serious consequences of overfishing.

At the Houston and London summits of the G-7, for example, the Prime Minister pressed the issue with his colleagues. He obtained commitments in the communiques to conservation of living marine resources including compliance with the regimes established by regional fisheries organizations through effective monitoring and enforcement.

In bilateral and multilateral discussions at every opportunity we have sought to persuade the EC to return to compliance with NAFO decisions.

We have participated actively and constructively in bilateral working groups on science, surveillance and control and non-NAFO fishing which were set up following ministerial meetings with the then new EC fisheries commissioner, Manuel Marin.

There have been some signs of progress such as the acceptance of eight of the eleven NAFO management decisions for 1991 and for 1992, but clearly not as much as we would like.

In 1991 the EC initiated implementation of the NAFO vessel reporting system and assigned a fisheries patrol vessel to the regulatory area for seven months. It will increase its presence in 1992. That will be of some assistance but surveillance data confirm that EC vessels in 1991 were still taking catches significantly in excess of quotas.

[*Translation*]

Early last summer our special ambassador for fisheries conservation who was appointed to co-ordinate and carry forward Canada's diplomatic, legal and information initiatives in this important area initiated bilateral consultations with the European Community. The EC rejected Canada's proposals to help resolve the problem, but we remain committed to working out a resolution with them which ensures compliance with NAFO decisions.

[*English*]

Respect for the 3L cod moratorium is critical. The minister of fisheries and I called in EC heads of missions on February 27 to impress on them the sense of crisis that is prevailing and the need for urgent response on the part of their governments. We pointed out to them that it is not simply in the interest of the Canadian fishery but also ultimately in their interest that this overfishing comes to an end.

• (1640)

Ambassador Gherson will be returning today from his current mission to the EC to present the scientific evidence on the northern cod stocks and to urge the EC to stop fishing contrary to the NAFO moratorium. EC capitals are now reviewing Canadian findings and our early information is that they are quite shaken by the data we have given them.

We have continued to press our case within NAFO and have provided leadership to the work that has begun to improve its system of surveillance and enforcement. The number one priority in international fisheries management is improving effective control.

All NAFO members must agree on the measures necessary to ensure that conservation decisions are enforced. It is not simply just ourselves or the result will be a failure.

At our request a special session on surveillance and control is being held in May. We have undertaken bilateral initiatives and we have led work within NAFO aimed at eliminating fishing by vessels registered in countries that are not members of NAFO.

The Panamanian government has at last been co-operating with our officials on steps to end the use of Panamanian flagged vessels in northwest Atlantic fisheries and further meetings are scheduled.

Korea has reduced the number of vessels licensed to fish in the area. We will continue to press it to withdraw completely.

Canada has also spearheaded international efforts to improve the effectiveness of international law as it pertains to high seas fish stocks.

[*Translation*]

A major objective for Canada in this legal initiative is international recognition of the special interest of coastal states, like Canada, in conservation and management of fish stocks which are also harvested both inside and outside national fishing zones.

Canada will be taking its proposals on high seas fisheries conservation to the United Nations Convention on the Environment and Development—the earth summit—in Rio de Janeiro to seek international support for improvements to high seas conservation.

The Canadian delegation is active at the current prepcom for UNCED in New York and support for our approach is growing.

A comprehensive Canadian information campaign has underlined the ecological risks of overfishing and called on the European public to oppose foreign overfishing in the northwest Atlantic. A number of you have participated in the parliamentary delegations that have taken our message to Europe.

The minister of fisheries himself has travelled to London, to Tokyo and to New York to speak on the need for effective control of international fisheries, and will visit other capitals over the coming months to build up support for Canada at NAFO and the Rio summit. These are some of the ways we are working to end foreign overfishing outside Canada's 200-mile limit.

The new scientific evidence serves again to confirm the devastation of the northern cod stock by the relentless foreign overfishing and seeming disregard of NAFO's rational conservation decisions in the nose and tail of the Grand Banks outside the 200 mile zone.

[*English*]

I can assure the members of this House that during 1992, efforts to end foreign overfishing will continue to be a top priority of this government.

The Prime Minister, my colleague the Minister of Fisheries and Oceans and I have repeatedly and at every opportunity registered with our colleagues in the Community that the northwest Atlantic fishery, especially northern cod, is in serious trouble because of continued and excessive overfishing by EC vessels.

It may seem to have produced very little by way of results but it is like water dripping on a stone and we are seeing growing alarm in Europe concerning this issue.

We have made clear that it is an issue of critical importance for Canada. The EC and non-members of NAFO must recognize and address this issue seriously. If this important resource is to be saved, this country must bring its fleets under effective control in compliance with NAFO conservation decisions. Ultimately their own fishery is also at risk besides our own and if a concern for the environment is not something to which they will pay attention, then surely in their own self-interest, they will start to pay attention.

I want to quote briefly from a report by the Secretary-General of the United Nations who underlined in eloquent terms the dimension of the problem and I quote:

> The elaboration of the law of the sea regime for the rational management and conservation of high seas living resources is now firmly inscribed in the international agenda. While this may be in large part attributable to the large-scale drift-net fishing issue, it is to be emphasized that this issue is but one symptom of the larger problems confronting world fisheries within national jurisdiction and beyond. Another symptom is the report of problems of overfishing by distant-water fishing fleets in the proximity of EEZ's.

The United Nations General Assembly took up this issue for the first time at our request, at the request of this government, in 1989 and it expressed concern regarding the use of fishing methods and practices on the high seas that can have an adverse impact on the conservation and management of the living resources of the marine environment. That was elaborated in 1990 and we intend to use as well all of the countries that will be going to the UNCED in June in Rio to keep reinforcing this on a broadly-based international scale so that pressure can be brought to bear on the main culprits.

The General Assembly, as a result of our efforts, adopted a resolution that criticized fishing methods and practices such as vessel reflagging and inadequate surveillance control and enforcement aimed at evading the regulation and control of high seas fisheries. This, of course, has given us the opportunity and the ammunition that we need as the Government of Canada in this regard. It recognized that the measures now in place to conserve and manage the living resources of the high

seas are not effective and they do not adequately implement the provisions of the Law of the Sea convention. That is something that we will take to UNCED when we meet with other countries there in June. It called on states to prohibit fishing methods and practices that can have an adverse impact on the conservation and management of the living resources of the high seas and to take the measures required to give full effect to the applicable provisions of the 1982 Law of the Sea convention and called on states to comply with the regimes established by regional fisheries organizations through effective monitoring and enforcement measures.

It is against this background of crisis in the Canadian east coast fishing industry and developing international concern—which is growing largely as the result of the efforts of this government—with respect to the problems caused by overfishing by distant water fishing fleets, that Canada launched its high seas fishing initiative at UNCED. This initiative seeks to develop specific principles and measures consistent with the Law of the Sea convention with a view to giving full implementation to the provisions of the Law of the Sea convention, strengthening regional organizations and ensuring the recognition of the special interest of coastal states with respect to straddling stocks. That would provide for an effective legal regime governing activities on the high seas. We are optimistic concerning our ability to achieve this objective.

The first steps in the elaboration of the principles and measures were taken at a legal conference held in St. John's, Newfoundland in September 1990. The conference recognized the need for such measures and agreed on a set of conclusions reflecting an increasingly shared view on how the rules of international law should be interpreted and applied. This was further developed into a set of principles and measures at a meeting of Latin American states, New Zealand and Canada in May in Santiago, Chile. This is called the Santiago paper and it was tabled at a meeting of legal experts in New York City in July. The meeting was convened by the UN by the Under Secretary-General responsible for the Office of Ocean Affairs and the Law of the Sea.

In August, the Santiago papers, as refined in New York City, were included under agenda item 21 at the third UNCED preparatory committee. It gained additional sponsors and was praised for its "forward-looking strategies" to deal with specific problems that have arisen in the last decade and to implement effectively the provisions of the Law of the Sea convention. The Santiago paper has won the support of some 40 countries and is part of the documentation on the table this week as a fourth UNCED preparatory committee begins its work in New York City on fisheries issues.

• (1650)

Canada and like-minded countries are determined to do all they can to ensure that the principles and measures set out in that Santiago paper are incorporated in the documents adopted by the UNCED summit when it convenes in Rio and that they serve as the basis for a diplomatic conference to be convened following the UNCED summit to address in particular the problems of high seas fishing.

The government considers the only way that Canada can achieve its goal of protecting Canadian fish stocks for Canadian fishermen today and in the future is through international co-operation and not through confrontation on the high seas.

We are determined to act with the imagination and vigour required to achieve success, and we know that it takes a considerable amount of effort. Results are not always visible in the early stages, but our fisheries communities deserve no less because ultimately it is international co-operation that is going to assist them.

We are committed to finding an effective solution to this problem, a solution that enhances Canadian control over the fish stocks off Canada's east coast throughout their migratory range. That is why we are going to such extraordinary lengths.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I have a number of questions.

I have listened to the minister on two occasions. I know that she takes this debate seriously, as we all do, but three weeks ago we held an emergency debate and this week it is our opposition motion on the crisis that exists. We would like to see more effort, more energy from the government on this crisis.

Our fishermen are serious and our communities are serious about what is happening out there. If the government is not going to take more action, then it seems to say to the rest of the world that we are not interested. I cannot believe that we are not interested. I know that the minister has recounted all the times that she has spoken, or the Prime Minister has spoken, but we have to see some real effort right now.

The season is upon us, and the reality is the potential of 8,000 jobs immediately in the Newfoundland area and the spin-off in other areas.

I ask the minister two or three simple questions and I will start them in this way. First, this week *The Globe and Mail* carried an ad that I think was false. I would like to know how she, as minister of external affairs, can have our national daily carry an ad that is not disputed by this Government of Canada.

We know that the herd has to be culled. I am sad to say that it is growing. We know that the herd eats too much fish, and it is not just cod, it is the whole stock out there. It is the amount of fish that seals eat. Why has the government, the day after or by this weekend, not taken a responsible position and placed an ad to counteract that terrible ad that we saw in the papers this week? On the east coast, we think we are defeated before we ever get started with this government.

The second thing I want to ask is this. Why have we not ratified the Law of the Sea? It was 1977 when we signed it. I know the U.S. will not sign it. I know why it will not sign it and I know why it does not want to sign it, because their big business and their multinationals do not want to be over-regulated by a Republican government, that is Reagan and now Bush.

There is no reason why we have not signed it and shown that we believe in what is in the Law of the Sea. I think that there is no reason why we cannot put more effort into this. I belong to parliamentary delegations. I have not been asked to go over and meet with the U.S., or the EEC, or France or the Commonwealth to get support from our own colleagues in Parliaments and try to overcome this burden.

Would the minister please give me an answer?

Mrs. McDougall: Mr. Speaker, let me deal with the last part of the question first.

As minister, as the hon. member well knows, I am not responsible for parliamentary delegations. They have to be approved in this House for money. That is not a government activity. That is a House activity. Let me say as well that I would be very happy if the hon. member would like to put together a parliamentary delegation and then we can discuss it. I have never been presented with a request for a parliamentary delegation.

Let me also say that on the Law of the Sea convention, which we did sign in 1977, needs strong multilateral support. We live by the Law of the Sea convention and we tailor our activities accordingly, but if it is just ourselves ratifying it, it is not going to have any impact on this problem. What is going to have an impact on this problem is exactly the kind of actions that we are taking and that we are taking in Europe.

When the member says we have not pursued this vigorously, I can assure her that we have brought our relationship with the European Community to a state of some considerable tension as a result of the vigour with which we have pursued this problem.

Mr. Mills: They don't know what the problem is.

Mrs. McDougall: We have pursued it both at the level of the commission and at the political level.

In Ambassador Gherson's latest trip to Europe, when he presented them with the data, yes, he did not get a warm reception. It was quite the reverse. He got a very cool reception at first, but once people started to look at the data, they are paying closer attention.

This is the kind of thing that has taken us a long time to get to, but it is worth every minute that we have spent and all the energy that we are putting into it. We have done this at some considerable cost to the other issues we are dealing with in Europe because it has led to strains in our relationship with the community at both the political level and particularly with the EC commission, to say nothing of our relationship with Spain and Portugal. That is all the more reason to pursue this.

In my view, the only thing that is going to have an impact on their—I think the hon. member might listen to my answer instead of talking to her neighbour.

Mrs. Campbell (South West Nova): I am listening.

Mr. Kilgour: The seals, Barbara, the seals.

Mrs. McDougall: What is going to have an impact on this ultimately is if we can convince the Europeans that it is in their own self-interest, it is their fish that are going to disappear as well as ours. That seems to be the only thing that is going to have an impact, particularly on the Portuguese.

The retiring Spanish ambassador, when he left to go back to Spain before taking a new assignment, was clearly quite shaken up by the information that we had presented to him. He said that in his view, and he would be advising his government, that it was essential that we bring this issue to a resolution.

In terms of the ad in the newspaper this week, I agree with the hon. member. We are looking at the issue of seals. We need more data. We understand the fundamental principle and we agree with her conclusion on this. We do need some more data on this. But the ad itself was very offensive and I absolutely agree with her.

Mr. George S. Baker (Gander—Grand Falls): A very short question, Mr. Speaker.

Presently there are two factory freezer trawlers from St. Malo, France heading across the Atlantic to fish. One of them will fish the northern cod stock, the second will fish the cod stock in the gulf.

As the minister knows, March 30, the end of this month, all French vessels were supposed to lose their quotas of northern cod and also cod in the Gulf of the St. Lawrence, lose it totally. However, the Department of External Affairs, in consultation with the tribunal meeting in New York on the boundary dispute between Canada and France, St. Pierre and Miquelon, the Canadian government informed the tribunal that it will not accept a decision in French only.

Mrs. Campbell (South West Nova): Why, we are bilingual.

Mr. Baker: France, of course, under international law would accept the decision in one language, as any other government would, but the Department of External Affairs was adamant. The registrar of the court informed external affairs that because of that it would take four days into the month of April to deliver the decision. This meant that because of the four days Canada has now given France an additional three months of quota of northern cod and cod in the gulf.

I ask the minister to respond and to tell us why the Canadian government did not really feel like following international law and just gave away three months of additional quota to France and they are sending over the factory freezer trawlers when she stands up in the House and says: "We are concerned about northern cod and cod in the gulf"?

• (1700)

Mrs. McDougall: Mr. Speaker, the decision has not yet been written and Canada has not asked that the decision when it is written be translated, even though, as the hon. member knows, it is the practice of this government that we always work in two official languages. I hope he is not trying to turn this into a language dispute as well as a fish dispute. It is serious enough.

The boundary tribunal will issue its decision this spring. Consistent with the agreement the French quota in 2J-3K-L will be reduced in the same proportion as reductions that affect the Canadian offshore fleet.

The hon. member knows that this is pursuant to an agreement that was signed by a Liberal government, and it is an international treaty that has been very difficult for us to live with.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I rise on a point of order. I would like to seek unanimous consent to extend the question and comment period a little longer so that we can have the benefit of the presence of Secretary of State for External Affairs.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to extend the period?

Some hon. members: Yes.

An hon. member: No.

Mrs. Campbell (South West Nova): Who said no, the minister?

Mr. Simmons: Mr. Speaker, my point of order of course is one of fairness. This morning the minister of fisheries took an extra half hour to respond to questions on this issue. The only minister more central to this question than the minister of fisheries is the Secretary of State for External Affairs. I am sure that she, who said no to the request for unanimous consent in the last 30 seconds, will want to reconsider. We would like to have the benefit of her knowledge on this issue.

I ask for unanimous consent.

The Acting Speaker (Mr. DeBlois): Order, please. The Speaker has no option but to receive the request.

Mr. Mills: That is not a good thing to do.

[*Translation*]

The Acting Speaker (M. DeBlois): I have no choice but to comply with the decision of the members of this House. And since there is not unanimous consent, I cannot go back to that matter.

[*English*]

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the Secretary of State for External Affairs has just given the lie to all of her pious comments about being concerned and serious in wishing to protect and defend the cod stocks in Canada's eastern waters and the nose and tail of the Grand Banks. It is completely hypocritical of her to come here and claim that she is—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. DeBlois): Order, please. I have to remind all members that there is no unanimous consent to extend the period. It is not the choice the minister. I ask members to be fair on that matter.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I would like to begin my comments. They are less well prepared than they should be because I was planning to intervene on a question or comment to the minister if she had stayed a little longer.

I would like to begin by addressing the point I was going to raise earlier with the minister, the question of control of the stocks currently in the area, that is the nose and tail of the Grand Banks.

As the minister would know and everyone here would know, that is currently regulated by the Northwest Atlantic Fisheries Organization, NAFO. One of the problems we have with NAFO is the fact that its current constitution does not have any teeth. There is no way to regulate Canada or any other country that wants to enforce more stringent conservation measures or formulas for managing fish stocks under the region governed by NAFO in that area. It permits countries such as Spain and Portugal to fish in that zone with impunity and to violate the NAFO quotas and in fact their own quotas. Canada has no recourse under the current rules to do anything about it.

If we are not to proceed immediately as our motion suggests with functional jurisdiction over the nose and tail of the Grand Banks to protect those straddling stocks, it is clearly in order to seek a strengthening of the NAFO convention so that it allows countries to enforce the NAFO quotas. Currently they are meaningless because countries such as Spain and Portugal violate them routinely and have been doing so for several years. There is absolutely no way in which the quotas under NAFO can be enforced.

The government knows very well that some obvious amendments can be made to the NAFO convention which would allow for the convention to have more teeth, to be stronger and to enable that organization, in the absence of Canada's jurisdiction over those zones, to be perhaps more effective in conserving those stocks.

I am sure the minister is very well aware, as is the minister of fisheries, that article 12 of the NAFO convention which bears directly on this problem needs to be strengthened and needs to be made more effective so that this can take place.

We are informed that NAFO will be meeting May 1 at a special meeting which I believe will be convened by Canada. I have been told the issue which is central to the effectiveness of NAFO is not even on the agenda. I would think it ought to be very high on the agenda. If this government does not want to extend functional jurisdiction now but wants to proceed gradually, as it seems to want to do, one would think it would at least be pushing to strengthen the organization that currently regulates the area in which the nose and tail of the Grand Banks is located, namely NAFO.

It is very surprising to me that would not be very high on the agenda. This government should be seeking to put some teeth into the NAFO convention. Failing that, perhaps the government ought to be considering getting out of NAFO altogether since it is obviously not of any use to Canada in terms of protecting the straddling stocks, one of its major responsibilities.

I wanted to ask the Secretary of State for External Affairs why this avenue is not being pursued or, if it is being pursued, what the results of her efforts so far have been and whether we could expect the government to be taking strong action to strengthen the NAFO regime from a conservation perspective.

Failing that, it seems that the motion before the House today is obviously the next step. There is really no other place for this government to go but to affirm Canada's functional jurisdiction over those zones. There is no other way, in the absence of any responsible behaviour by the states which are fishing that zone and in the absence of any regulatory regime which can be enforced and where objections by countries such as Canada have any legitimacy. We are currently seeing the depletion of a fish stock with drastic consequences for the economies of eastern Canada, particularly Newfoundland but also Nova Scotia. We would think this government ought to be working to strengthen the only organization that is governing those regimes.

• (1710)

That was the first point I wanted to raise with the Secretary of State for External Affairs. Perhaps when she reads *Hansard* she may want to provide me and this House with the answer to that question. I would be very interested in hearing it.

It is important to underscore, as has been said by several speakers today, that this issue is not an issue which is confined to one part of Canada. It is true that the province of Newfoundland which depends vitally on the fishing industry, particularly the fishing industry centred in the northern cod zone, stands to be devastated by the collapse of this fishery. It is also true that the province of Nova Scotia is in the same situation, although perhaps less directly than Newfoundland. In my own constituency of Cape Breton Highland—Canso we have plants that fish the northern cod and other groundfish stocks which stand to be depleted by the excessive fishing in those zones.

This is an issue which extends beyond Newfoundland to Nova Scotia and, as other members have pointed out, to all of Canada. It is an environmental issue of alarming proportions when we see countries purporting to pay lip service to environmental concerns completely denying these concerns. We are facing a very serious situation which we in Canada have a right and a responsibility to take a leadership role in correcting.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, first of all let me congratulate my friend and my colleague from Cape Breton Highlands—Canso for his excellent participation in this important debate.

He was here a moment ago, as I was, when we witnessed a spectacle that I really could not believe. At the same time it confirmed for me something I had suspected for some time. I want to see if I am out in left field on this or whether or not my friend from Cape Breton Highlands—Canso shares my view on it.

I had been alleging for some time that the minister of fisheries would very dearly like to get on with this issue in the spirit of the wording of the motion. He realizes the futility of diplomacy, sweet talk and so on. He realizes as one who lives among the people most affected by this, as a man who represents those people, that it is time to bite the bullet. I had been alleging his problem was that he was alone in the cabinet.

For the record, he has had to say otherwise and to say: "Oh, no, my Prime Minister is behind me; everybody over here is behind me". Was I wrong? Is it too late in the day? Am I having some kind of illusions? Am I misleading myself? I saw the Secretary of State for External Affairs, who ought to be our lead spokesperson on this, half sleepily read very badly a text that somebody had prepared for her. Her heart clearly was not in it. She refused to take any questions beyond what was required of her.

Would the member want to comment on whether he thinks my suspicions are correct? Is it the problem of the minister of fisheries? Was it confirmed before our very eyes in the Chamber just now that the people who matter most in this play, including the Secretary of State for External Affairs, could not care less about this file? That is one of the reasons it is going nowhere, unless the minister of fisheries takes it in hand, delivers an ultimatum to the Prime Minister, and says it is time to do what has to be done with respect to this foreign overfishing.

Does he agree the real problem is that the people whose support he needs are not coming to his defence and indeed are laughing at the whole issue?

Mr. LeBlanc (Cape Breton Highlands—Canso): I certainly share my colleague's suspicion on this question. I think one way of illustrating the contrast in the commitment to the issue would be to play back the speech of the Minister of Fisheries and Oceans and the speech of the Secretary of State for External Affairs back-to-back. You would see that the Minister of Fisheries and Oceans, because he comes from an area that is vitally affected by this crisis, is committed and serious about doing something about it.

The Secretary of State for External Affairs, perhaps because her constituents are not as directly affected immediately by the problem or perhaps it is some other reason, obviously by the tone of her voice and by her expression here today, does not exude in her body language a deep and abiding commitment and determination to solving this problem. Perhaps we are misreading her. I guess we will have to wait and see what happens.

I am afraid that the fishermen in eastern Canada and the fish stocks themselves cannot wait much longer. They are being plundered and the livelihood of a whole part of the country is disappearing while we wait for this government to sort itself out and to sort its priorities and we wait for the Secretary of State for External Affairs who seems lackadaisical in her approach to this very serious issue.

I do not like to accuse anyone of being insincere, but it is awfully tempting when you see the behaviour we just witnessed a few minutes ago.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I would have to agree with my colleagues on the lack of interest. I would say that the minister of fisheries should bring them back a big dose of cod liver oil and it might get them all moving and doing some action. However, we do not seem to have any energizer over there and that minister of fisheries has gone down instead of going up so he needs a dose of cod liver oil as well. Cod liver oil might give him the force or the energy.

[*Translation*]

Mr. Robitaille: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Terrebonne on a point of order.

Mr. Robitaille: Mr. Speaker, I would just remind you, this House and the hon. member that we do not need to dance on the desks and shout as they do to show some interest in the subject. Just because we keep cool, Mr. Speaker, does not mean—

[*English*]

Mr. Simmons: Mr. Speaker, on the same point of order, my good friend from Quebec, who normally exhibits an awful lot of good horse sense, good common sense, has really missed the point here.

His minister, his colleague, has badly upset us by coming into this House and mocking an important issue. That does not sit very lightly with me. Better she had not come in than to come in to pay lip-service to an issue she either does not understand or does not believe in.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I think that we express opinions on all sides of the House. It is a matter of opinion and I think that it would be good to return to the substance of the debate according to our rules. I again recognize the hon. member for South West Nova.

[*English*]

Mrs. Campbell (South West Nova): Whatever they need, they need a new battery change and they need some energizers over there.

An hon. member: They are out of gas.

Mrs. Campbell (South West Nova): They are out of gas. They are out of steam and they are out of any type of power.

We have seen here this week representatives of the communities from Newfoundland and the representatives of the fishing efforts in Newfoundland. They have come to Ottawa looking for help and guidance.

This is not the first debate. We had one three weeks ago. That was an emergency debate. It went on well into the evening and well into the night. My colleague the parliamentary secretary knows that this is a serious issue.

I may have said that there is something lacking in the government and to my way of looking at it and to Canadians I am sure, looking in from out there, is the idea that the government is not doing anything, and it is not.

• (1720)

Government members may go to New York to the conferences and they may talk once to somebody in New York, but there are things that we, as Canada, can take upon ourselves.

One, we can say to the world even though we have 200 miles we are not totally in control of our biological stocks that we depend on to fish and we want control of that. We want to go to the nose and tail of the Grand Banks. That is the crux of the issue, we are not in control.

How would we gain control? We perhaps could take on the role of monitoring the foreigners who go there because our coastline is adjacent to that stock, and we are not doing that.

When I say monitor it, we have all sorts of conservation methods within the 200–mile limit and we cannot monitor any of the conservation methods that we have here in Canada, that short distance of control over the biological stocks. So we should be saying that.

The other thing that we should be doing is we should take very effective diplomatic relations against the offending countries. One, our trade with Spain and Portugal, or maybe we should tell Canadians not to go there.

Maybe we should look at what is going to happen in Madrid or Barcelona with the Olympic Games coming up this year. Maybe it would hurt some people over there as it is going to hurt our people here.

I have seen other countries ban the Olympics. We had some people ban our Canadian Olympics. Why not put that as a threat out there? Why not take our diplomatic officials away from some of those countries to show those countries we are serious as to how it is affecting the east coast.

The last thing, why not put a ban on their goods? We drink their wine. We take their canned sardines or any of the canned fish they send over here. Let us show them it hurts in Canada what they are doing, irrespective of any of the guidelines that we feel should be enforced in those areas.

I have not seen this government do any of that. Sure it is hard to take some of that, but we have to show them that we mean to and we want to support the fishing effort on the east coast.

I would also like to say in the short time that I have that we as a country have made it clear to the foreigners that we are serious this time. We should take over all the activities within our 200–mile limit.

It may mean that the Government of Canada has to put a bit of money into changing gear so we can fish, changing processes so we can market the fish that those countries come within our 200 miles to catch that we do not catch, that is considered under–utilized by the Law of the Sea. It is no longer under–utilized.

Those foreigners should not be within the 200–mile limit. We should say as of today we are fishing it all. I do not care how we market it. We should be able to sell it to those countries, Japan, Cuba and the former U.S.S.R. that come to fish within our 200–mile limit. We are not doing it.

This is the same thing as GATT. The government says that it is doing this and this and this, but it is not doing anything.

I can sit here, my colleagues can sit here, nobody has gone face to face with any of the organizations. I belong to all those organizations, to Canada–France, Canada and the Commonwealth, Canada and the U.S. I have not been asked on either the GATT or in this dispute to sit down and talk face to face with people who belong to the same organizations or the IPU and tell them what they are doing.

It has to start even here at home. An ad that appeared in *The Globe and Mail* I think it was on Tuesday had all those lovely seals saying "Not me, not me, not me, not in a month". And the implication was: "I have not had a fish in a month, I am not the culprit". It is wrong for the government to allow that ad to go across Canada as if it is the fishermen who are to blame for the foreigners and others and the seals that are taking the fish.

That is wrong. The impression that will be given to the rest of Europe is that we are responsible. We are not responsible in this. We want the foreigners off. We want to cull the herd of seals and we want to tell the world that the seals do eat a tremendous amount of fish.

Why can the government not pay for that? It pays for an awful lot of other ads.

Mr. Kilgour: It has no backbone.

Mrs. Campbell (South West Nova): There is no backbone. That is right.

The environment, fisheries and external affairs departments should be taking a paid ad in the papers to support the east coast in this effort. If they do not, we will see the same thing that we saw last night on the lumber in B.C. on the national news here in Canada being analyzed by people in Germany saying that we were doing something wrong.

We are going to have it everywhere in Canada if this government does not start to act responsibly and to defend our primary industries and resources.

The government can do that by taking a full page ad, the same type of ad that the IFAW had in *The Globe and Mail* and probably in other newspapers this week, which was so detrimental and without any consideration of the real issues behind it.

I just want to say that the government has the ability. It has the power within Canada, within the Department of External Affairs and within the Department of Fisheries and Oceans to give support to our fishing communities. It has the power.

We have a navy. We may not have much of a navy under the national defence policy because we do not have a national defence policy, but we have a navy that could be out there. We have planes that could be out there doing some surveillance the same way that they do it within our 200-mile limit.

We should be taking that authority; ratifying the Law of the Sea and taking control of the biological stocks that are rightly Canadian.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I have listened attentively to the last member.

It is passing strange that she would tell this House that the government has the ability to stop an ad from being run in a newspaper. I heard her words. They are the ones she used: "They should have stopped it and not allowed it".

The last time I checked, we are living in a democracy which does mean freedom of speech. The hon. member is doing the people of the east coast a disservice when she insinuates that those kinds of things can happen.

Mr. Mills: She said protest.

Mr. Belsher: I know what the lady said. I was listening, and that is why I am up here commenting about this.

Mr. Kilgour: A sexist remark.

Mr. Belsher: No. She is a good friend, as far as friendships can go from across the aisle here.

What we are talking about here today is a fishery which we are all concerned about. We have had very disturbing news given to us by our scientists who say that the spawning mass which was 270,000 tonnes was lowered to 130,000 tonnes, and that is for the 7-year old and older cod, as well as for other parts of the biomass too. They have downgraded their estimates on that.

In the light of that, what other actions could the government have taken particularly with what we do control within the 200-mile limit other than what has been taken already?

Mrs. Campbell (South West Nova): Mr. Speaker, if I did say "stop" and "allow", I would never presume that this House should ever stop and disallow anything in the newspapers as has been done in some instances, however.

I will say that I would have hoped that the editorial board of *The Globe and Mail* would have had a little bit more common sense. What I was implying was that the Government of Canada—it cannot be the fishermen who put the money in; they are always putting money in—this is a real fact. It is a known fact that the seal herd should be culled. The seals eat a tremendous amount of fish and they are continuing to do so.

On your question as to what else could have been done, I say that what will happen I saw happen two years ago in Nova Scotia when the government, without doing a study, said that fishing had to stop because the stocks could not take it and because there was overcapacity onshore and in the fishery.

• (1730)

What will happen is that the fishermen will hurt so badly that come this year there will be very few fishermen left because they have had to sell their quota—that was the department's decision—to companies and they no longer have that effort. The communities are going to die because there is no longer a fish plant.

I felt at that time and I still feel today that there are a tremendous number of foreigners coming into our waters to take species that should not be called under-utilized any more. We should be able to fish all the fish that those 100 foreign freezer factory ships that come within the 200-mile limit fish, even if it means that we have to put money into converting what we have to fish, if it means that we have to put money into developing markets to send that.

We are not under the free trade agreement in this. We are talking Japan, Cuba, the U.S.S.R, eastern Europe, western Europe, all over the world. We are not doing it. We have lost a lot of time in not doing it. We have allowed the foreigners to think that they now have a right within our 200-mile limit. They do not have a right within our 200-mile limit. I think that they have a limited right if it is done well and directed well to come and fish outside, but they should not be violating our biological stocks as they are doing.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I appreciate the opportunity that I have to conclude this debate. What we have heard here over the past several hours is a fitting discussion about an issue which is a real tragedy for Canada, but particularly for our most eastern province of Newfoundland. It is a tragedy that pertains not only to the cod fishery, which is largely what this debate is about, but which pertains as well to the salmon fishery in which we saw significant action taken just last week by the minister and his colleague in Newfoundland to close that commercial fishery indefinitely. It is a tragedy that is exacerbated by the closure or at least the slowdown of the Hibernia oil development project.

It seems that for Newfoundland all news is bad news as this particular time in its history. It is very fitting that we have this debate this afternoon. I believe that in our heart of hearts all members share the concern for the province of Newfoundland and share the determination to find ways to launch new initiatives to take action to solve the very serious problems which confront us.

The cod fishery disaster is not too strong a word. The cod fishery disaster is a major environmental world issue and one which deserves world public support and world public attention in the same manner that unfortunately and inaccurately world attention has been devoted to our lumber products and forest products in Canada, both on a trade basis and on a very significant environmental basis from Europe.

I am going to speak about this a little later with respect to a public information program but it seems to me that one of the things we have to do with this cod issue and this overfishing issue outside our 200-mile zone is establish in Europe the same kind of environmental outrage, the same kind of environmental action in support of our position, as has been applied against us on the basis of inaccurate perceptions with respect to lumber.

It is sort of a sad irony that Europe has responded to a perception of forest management in Canada which is inadequate and has acted to boycott our lumber products. In the face of a totally documented disaster with respect to our fishery, extremely well documented, and one that is being perpetrated by the our own European colleagues in the fishery, we cannot seem to mount the public outrage, the public thrust for action that is so desperately required.

There is no dispute that overfishing is causing the severe depletion of the fisheries resources off Canada's Atlantic coast. The northwest stocks are being ravaged, principally by European Community fleets operating on the high seas outside of Canada's 200-mile limit.

Since 1986, overfishing of those straddling stocks has totalled more than 400,000 tonnes above the internationally established quotas, and has continued without any appreciable reduction in 1991. Although migratory patterns differ from species to species, one element is common to the cod and the flounder and the redfish stocks that straddle that 200-mile limit. Many migrate for part of the year outside the 200-mile zone to deeper water on the edge of the shelf, and that is where they are subject to intensive overharvesting which has led to the stock depletion.

This is not supposed to occur. These straddling stocks are supposed to be harvested in accordance with conservation and management decisions made by the Northwest Atlantic Fisheries Organization. It was Canada and the European Community, Japan, the U.S.S.R. and Norway, among others, that signed the NAFO convention in 1978. NAFO was established to scientifically assess stocks, to decide on a total allowable catch, to allocate quotas to the NAFO contracting countries and to set inspection and control measures for the area outside the 200-mile zone. However, it remains for those NAFO contracting parties, those countries that belong to NAFO that exercise state flag jurisdictions, to give effect to those NAFO decisions. That has not been happening.

Before 1986, the European Community did adhere to virtually all of the North Atlantic Fishing Organization decisions. In 1986, Spain and Portugal joined the European Community and they were given a limited access to European Community waters and were promised other fishing opportunities. Beginning in 1986, the European Community commenced to object to NAFO quotas and to set higher quotas for itself unilaterally, quotas that have been allocated largely to Spain and to Portugal. As well, the European Community has failed to exercise effective control over its Iberian fleets, which have fished virtually at will outside our 200-mile limit. As a result, catches by European Community fleets have greatly exceeded both the NAFO quotas and even the unilateral quotas which the European Community has set for itself.

This has created a real crisis in fisheries in the northwest Atlantic. From 1986 to 1990, European Community fleets reported catches of cod, flounder and redfish totalling more than 530,000 tonnes. This was more than five times the European Community's NAFO quota, and for some flounder stocks it has been reported that they have exceeded the NAFO quota by 18 times, much of it being juvenile fish harvested in nursery areas.

These are just the reported catches. They do not include unreported catches or catches which have been misreported on unregulated species like skate. These figures do not include catches by non-NAFO fleets either. From 1986 to 1990, non-NAFO vessels operating without any NAFO quotas caught more than 165,000 tonnes of cod, flounder and redfish, which add to the extensive figures I have already quoted that represent such a total overharvesting of our resource.

The figures for 1991 by the European Community are not very different from recent years, notwithstanding that the European Community did accept most of the NAFO quotas for 1991. In the face of this continued overfishing, stocks have become very seriously depleted and many quotas in Canada have been cut in half. From 1986 to 1990, Canada's quotas for regulated species were reduced by a total of 300,000 tonnes.

That pattern is now well established. Canada and other NAFO contracting parties, except the European Community, have limited their catches to conserve fish stocks. European Community and non-NAFO fleets continue to take everything they can, often just outside the 200-mile limit.

• (1740)

While Canada has had to reduce its offshore fleet by about one-third since 1986, European Community fleets are being reduced in community waters in an effort to end fishing, but the number of European Community and non-NAFO vessels fishing in the northwest Atlantic has actually increased. Why? The area just outside 200 miles is one of the few remaining convenient fishing areas where distant fleets can continue, in effect, to fish at will.

Canada as made repeated efforts since 1986 to persuade the European Community and its member states to end their overfishing. Time is running out for the stocks which are being overfished. It matters not a whit whether overfishing is carried under the flag of Spain or Panama or Korea if the stocks are going to continue to be depleted.

One of the main thrusts by the Department of Fisheries and Oceans and by the Department of External Affairs has been to launch a public information campaign that will try to win the state of public opinion in Europe and elsewhere that will bring world opinion to bear on the European Community, particularly on the Portuguese and the Spanish fleets, to end the overfishing, to live within the NAFO quotas, to in effect join in the battle to conserve this immensely traditional and immensely important cod stock.

Campaign activities have been extensive, including visits to Europe by Canadian industry and parliamentary delegations, by participation in environmental round tables, by the involvement of Canadian spokespeople in key European events, by liaisons with environmental and scientific organizations, media briefings, interviews and

the development and distribution of communication materials such as pamphlets, brochures and visions.

The campaign has included the Prime Minister, several cabinet ministers, members of Parliament, provincial MLAs, the private sector, union and academic spokespersons and a broad effort to generate European media attention. The public information initiative targets European Community and member state decision-makers, industry leaders, European environmental and scientific groups and the media, particularly in Spain and Portugal.

Some specific examples have been parliamentary missions, including many of our colleagues from this House. In October of 1990, the Canadian Chamber of Commerce led a community development mission to Spain and Portugal comprised of key representatives of the Atlantic Canada fishery community. Also in 1990, a delegation from the Newfoundland-Labrador Federation of Co-operatives attended an international co-operative alliance meeting in Spain. A specially prepared brochure entitled *The Fragile Fishery*, which documents the foreign overfishing issue, has been widely disseminated in Europe and in all fisheries countries around the world.

In the spring of 1991, industry and union representatives accompanied the Minister of Fisheries and Oceans to Portugal, where he made a major public speech and held meetings with his counterparts.

The campaign remains a vital component of the government's efforts, and for 1992 a number of activities and new initiatives are already under way. Our mission to the European Community and our embassies in European Community member states and in NAFO member countries have been provided a detailed communications package in which to develop and present this very important and tragic story.

The campaign is being broadened to support more fully our legal initiative, particularly with respect to the United Nations Conference on Environment and Development to be held in Brazil later this summer.

During March we have invited foreign journalists from Europe and NAFO countries to visit Newfoundland. This will provide an opportunity for them to gain first hand the knowledge of the impacts of foreign overfishing.

All of these efforts continue and none of them are particularly radical perhaps, but together they bring into focus this tremendously urgent and rapidly developing environmental disaster. In all things environmental, in the whole world of sustainable development, nothing starts without a sense of vision. We have to start again as a country and as a world with respect to our fishery on the Grand Banks to determine what is achievable, what can be done and then commit ourselves to those measures to accomplish those goals.

The Acting Speaker (Mr. DeBlois): It being 5.45 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply, pursuant to Standing Order 81(14).

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will be please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

The House divided on the motion, which was negatived on the following division:

(*Division No. 113*)

YEAS

Members

Althouse	Anawak
Angus	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Baker
Bellemare	Black
Blaikie	Boudria
Brewin	Campbell (South West Nova)
Dingwall	Dionne
Duhamel	Ferguson
Finestone	Fisher
Flis	Gaffney
Gagliano	Gardiner
Gauthier	Grey (Beaver River)
Guarnieri	Heap
Hopkins	Hovdebo
Jordan	Keyes
Kilgour (Edmonton Southeast)	Langan (Mission—Coquitlam)
Laporte	LeBlanc (Cape Breton Highlands—Canso)
MacAulay	Manley
Martin (Lasalle—Émard)	McGuire
Mifflin	Mills

Mitchell
Parent
Phinney
Simmons
Taylor
Wood—51

Pagtakhan
Peterson
Prud'homme
Stupich
Vanclief

NAYS

Members

Anderson
Atkinson
Belsher
Blackburn (Jonquière)
Bosley
Browes
Campbell (Vancouver Centre)
Chadwick
Clark (Brandon—Souris)
Collins
Cooper
Corbett
Crosby (Halifax West)
de Cotret
Desjardins
Dobbie
Edwards
Fontaine
Guilbault
Hawkes
Hockin
Horning
James
Johnson
Kempling
Landry
Larrivée
Loiselle
MacDonald (Rosedale)
Martin (Lincoln)
Monteith
Oberle
Plourde
Pronovost
Ricard
Robitaille
Saint-Julien
Siddon
Soetens
Stevenson
Tremblay (Québec-Est)
Vézina
Weiner
Wilbee

Winegard

Andre
Beatty
Bird
Blenkarn
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Cole
Cook
Corbeil
Crosbie (St. John's West)
Danis
Della Noce
Dick
Domm
Ferland
Gray (Bonaventure—Îles-de-la-Madeleine)
Halliday
Hicks
Holtmann
Hughes
Jelinek
Joncas
Koury
Langlois
Lewis
Lopez
MacDougall (Timiskaming)
McKnight
Moore
O'Kurley
Porter
Redway
Richardson
Roy-Arcelin
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Thacker
Turner (Halton—Peel)
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—90

PAIRED—MEMBERS

Members

Bevilacqua
Couture
Duplessis
Harvey (Chicoutimi)
Lee
MacLaren
McCreath
Nowlan
Tardif

Blais
Dorin
Fee
Kaplan
MacDonald (Dartmouth)
Marchi
Milliken
Pickard
Vankoughnet

• (1810)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion lost.

[*English*]

Ms. Copps: Mr. Speaker, on a point of order, I was held back by the winds of winter, even though I was an hour on the road trying to get here. I did want it to be known that I would support my party.

I cannot believe that the minister himself voted against this motion. It is a shame and a disgrace.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. DeBlois): Order, please. Pursuant to Standing Order 30(7), the House will now proceed to the consideration of the Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

INCOME TAX ACT

MEASURE TO AMEND

Mr. René Soetens (Ontario) moved that Bill C-263, an act to amend the Income Tax Act (personal and living expenses), be read the second time and referred to Legislative Committee F.

He said: Mr. Speaker, it is a pleasure to rise on this private member's bill that I put into the draw back on June 19 for first reading. This bill is one that some would argue is controversial. It certainly has an impact on an awful lot of Canadians and it deals with tax fairness.

I would like to suggest just who it impacts on. It impacts on all members of Parliament, all senators, all members of provincial legislatures, all elected mayors, reeves, councillors, all school board trustees, all members of hydro commissions, public utilities commissions. It probably affects even a dog-catcher somewhere in Canada, if there is such an elected person.

All of these people who I have mentioned have a special privilege, a privilege to which no one else in Canada is entitled. That privilege is that they are allowed to receive a portion of their income, which is referred to as an expense allowance, tax free. In the case of members of Parliament, they are allowed to receive 33 per cent additional income on top of their allowance that they would receive as a member of Parliament tax free in

the form of an expense allowance. That amounts to some $21,300. It is an extra 33 per cent.

It is 33 per cent for MPs and 50 per cent for every other politician in Canada. I am not sure why that particular scenario exists but suffice to say that every other elected politician in Canada is entitled to receive an allowance and that allowance is tax free.

Again, I emphasize the issue of fairness. No one else in this country is allowed to receive a regular income from their employment which is designed to be tax free.

Some might argue: "Yes, we politicians have expenses" and I for one will not debate that issue one iota. We certainly have expenses. I might even be prepared to suggest that we members of Parliament have expenses that exceed our allowance. That is not the issue on which I am standing in front of this House today. I am quite prepared to suggest that we have expenses but I believe that since those expenses are being reimbursed to us, they should be taxable like they are to everybody else in this country.

In my previous career as a sales representative, I also had expenses. At the end of the year many of those expenses were reimbursed to me, but lo and behold, on my income tax form there was this thing called a taxable benefit. That taxable benefit dealt with the free income I received, not in the sense of the performance of my job but to help pay the expenses related to the performance of my job. That was a taxable benefit and I paid income tax on it.

Yet all of a sudden when I was elected as a member of Parliament, I got that same allowance but it was no longer taxable. I guess what I am suggesting by this bill is that all politicians across this country who get that allowance, which each and every one of us does, ought to receive that income as a taxable benefit.

When we talk about it as a taxable benefit, some will argue that they have expenses and have receipts for those expenses. I guess I could ask each and every MP in this House, and all those across Canada in fact, do we not on many occasions buy tickets to fundraising dinners, to charitable events, and receive a tax deductible receipt for those expense?

I wonder how many politicians in this country take that tax deductible receipt and say: "I got this money tax free. I will not deduct that from my taxable income". I would suggest there would be very few politicians in this country who would not take that tax deductible receipt and deduct it from their taxable income rather than from their tax free income. My bill, I think, sets out fairness that every Canadian in this country has that politicians do not have and that is a taxable benefit for taxable allowances that individuals receive.

When I talk about tax fairness I guess what surprised me most of all is when this bill went before the normal process to determine whether it should be votable, I thought it would be difficult. I understand it is controversial and I am not sure many members may rise in support of this bill in this House.

What surprised me most was the party that believes in tax fairness gave me the roughest time in the committee process. I find it rather interesting that a "do as I say, not as I do" kind of attitude applied in the committee process. There certainly was very little sympathy for this kind of bill, even though they believe people should pay their fair share of taxes.

Yes, this would have an impact. The impact would be if we made that tax free allowance now taxable as a taxable benefit, what would it mean to MPs? That $21,000 would become taxable. I presume we are all in fairly high tax brackets so we would pay the 29 per cent tax rate. On top of that we would pay the provincial tax rate of some 55 per cent, plus the appropriate surcharges. That $21,000 would probably cost every MP in this House somewhere in the realm of $10,000 or $11,000 further tax. I understand that. I for one would be quite prepared to say if that $10,000 or $11,000 loss because of taxation is unfair, fine, adjust the allowance. I am not going to argue that point at all. Adjust the allowance on total impact to the revenues of the government. It would make no difference because yes, give us $10,000 more but it will be taken away in taxes. The net effect is minimal.

What makes it unfair is each and every year, as has happened for the last 40 or 50 years, this tax free allowance has existed. Every time an MP gets a raise, the fact a portion of it is not taxable is an increased benefit to high income Canadians and MPs are high income Canadians.

• (1820)

Every year the unfairness of the tax free benefit increases in value disproportionately to what might be the impact on other Canadians who get raises. There is no doubt it has an impact.

Since the salary of MPs is set up on the basis of income and allowance, some have suggested that we could make the whole thing taxable and increase the pension benefit. I would suggest, the way this bill is proposed, that I am not adjusting the income of MPs. Therefore it has no impact on the pension of MPs. The allowance is exclusive or outside the pension of an MP. If we continue to keep it as a taxable benefit, a taxable allowance, it is therefore not part of computing the pension of MPs. MPs would not all of a sudden enrich their pensions, which has been a comment raised by many about my particular procedure.

Is this idea unique or new? I do not know if this private member's bill has ever been introduced before. It is certainly new in this term of office but it is not unsupported in the community. In fact, a very interesting article appeared in *The Toronto Star*. I heard the NDP premier of the province of Ontario talk about the fact that they should look at this tax free allowance of all provincial and municipal politicians in Ontario. The reason they have that allowance is not provincial legislation, although they need the approval of the provincial legislature. It is federal legislation, the Income Tax Act, that allows for it.

The city of North York talked about this issue at one of its council meetings and it was reported in *The Toronto Star*. This debate took place last year. Members of the council passed a unanimous resolution asking the province to make the allowance they received taxable. Basically their logic is explained in the paper as follows:

> But councillors say the law is misunderstood and criticized by the public.
>
> "The public feels that maybe members of council are getting big benefits," says Councillor Milton Berber.
>
> Adds Councillor Paul Sutherland: "People don't understand why it's (the exemption) there. It really bothers people and it gives a false idea of what's actually being earned".

There are a number of other quotes. I would suggest that is true. A lot of my constituents say: "You people don't pay taxes like we do. You have this unfair advantage. When you raise the income tax rate you are not affected the same as everybody else" .

I guess I am proposing with this bill to take away that charge, that concern of citizens of mine and probably other citizens across the country. We would be taxed exactly the same way as every other Canadian in this country. I believe that is in fact what Canadians are looking for, that MPs, senators, MPPs in the provincial legislatures, and all other politicians from one end of this country to the other pay taxes in the same way.

What does that mean in my municipality and in my riding? Let me give an example. Every riding is different. I have three municipalities in my riding. They each have eight elected mayors or councillors. There are 24 people there. We have another 10 or 12 public school board trustees. We have 10 or 12 separate school board trustees. Now we are up to 44 or 45. We have two MPPs, which put us up to 47.

In the case of the town of Pickering we have five hydro commissioners. In Whitby they have seven hydro commissioners. In Ajax they have six hydro commissioners. We are now up to about 65 people. We have an MP who is in on this. So in my riding alone this bill would affect about 70 people. We would multiply that by the 295 ridings in Canada. I suspect the number is much more than 75 on average because some ridings have 10 or 20 municipalities. A lot of people would be impacted by this legislation.

I come back to the original point. What I am trying to deal with is tax fairness. I am not trying to deal with the income of any politician in this country. It is within the power of all politicians in this country, if they feel their salary is inappropriate, if they feel that the expenses are much higher than they are being reimbursed for, to adjust it in a simple piece of legislation in their jurisdiction to whatever they think it should be. I know we in this House get a lot of flak when we go back to our ridings about making a lot of money, being overpaid and underworked. I am sure all members in this House are familiar with those allegations. Obviously we may not agree with each and every accusation that comes our way.

However, we do have the ability. We were elected to lead. We were elected to make decisions. If members of Parliament believe that $64,000 is not enough, that the $21,000 allowance is not enough or that the housing allowance, which we have on top of all those other items, is not enough, we have the ability to do something about it. I guess my resolution does not address that subject. They continue. All politicians continue to have that ability. Mine is simply that whatever decision Parliament or other legislatures make it becomes taxable. That is what I call tax fairness. That is what I believe is the appropriate thing to do, and that is why this bill is here today.

I am only sorry that ultimately this bill will not be voted on because of the decisions and the process that is involved. But I respect that decision because that is the parliamentary process. I am just sorry it is not being voted on because I do believe it is an appropriate measure that should be taken.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, there are many days in this House when I stand and challenge the government on its initiatives, but I would have to say that today I stand and I salute sincerely the initiative of the member of Parliament for Ontario.

He is addressing in my view one of the most fundamental frustrations that the people of Canada have when dealing with the tax act of Canada. The people of Canada feel that the rules, regulations, exceptions and exceptions to exceptions and all preferences that exist in the current tax act of Canada do nothing more than breed complications and paper burden. Absolutely everyone agrees that the current tax act is unfair.

What I like about the member's initiative is that he is taking members of Parliament, the most distrusted people in all of Canada as members of Parliament, and basically saying: "Let us begin this radical reform of the tax act by starting with ourselves. Let us blow out the preferences that we in this House of Commons and all other politicians in the country receive". As the member said, this is really not going to affect our work in any way, shape or form. In other words, if moneys are needed for legitimate expenses then, as the member said, we can come back to this House and say: "Listen, we need more help to look after the expense requirements that we have as members of Parliament".

There is absolutely nothing more distasteful to the people of Canada than to think that the legislators of this country are talking about tax reform and fairness in the tax system day in and day out, but end up giving themselves a $20,000 tax preference year in and year out. The people of Canada will never ever totally trust this system unless we begin reforming ourselves.

As the member knows, I have been promoting or trying to advance the debate in the area of tax reform. I guess it has been almost three years. The whole principle behind the concept of the single tax rate is to blow out all the preferences that exist in this country, not only on the personal side but also on the corporate side. Maybe we could go back to basics on this issue and bring in a new tax act where people can judge clearly whether they are being treated fairly or not. I believe that a system like that will go a long way in bringing a renewed attitude toward productivity and the quality of our work in this country.

• (1830)

I have really nothing further to add to this. I give it my full support. The pity of having a private members' debate like this, late on a Thursday night, is that it should receive more attention. We should give members more notice and we should do more promotion on it. I will be honest with you; I did not hear about this until last night when I was advised by someone from the office of the Minister of Finance that this debate was happening.

It is the kind of thing that Canadians want to see. I regret the fact that it cannot be votable. I do not know why it cannot be votable. You are on the government side. There has got to be some way to get all of this support. Maybe we could make some kind of an amendment to the budget or something, or to the current tax act. Day in and day out the New Democratic Party talks about tax fairness and simplifying the system, so I am sure we would get their support. I know my own leader is constantly talking about tax fairness and tax simplification, so I am sure that if the member who has more and better access to the Minister of Finance were to push this a little harder, we could make this a votable motion and it could be law in this country. It is something that

would begin the rebuilding of trust in this institution, which is the central issue for Canadians today.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I also support the general thrust of this initiative. I would appreciate if the member who made this motion would listen closely because I think that in some respects the whole purpose he is addressing is a disservice by dealing in one narrow aspect of members' expenses, members' compensation or members' pension plans.

It is very much like the leader of the New Democratic Party said last week. I was not in the House when she made a speech about pensions. In isolation, she can demonstrate that pensions, which many of us will never hope to receive, are too generous or are based on the wrong criteria, and so on. Frankly, the hon. member has done the same thing by taking the narrow issue of expense allowances and the fact that they are tax free, and addressed that. The hon. member for Broadview—Greenwood has applauded that.

The fact that I know both of these gentlemen well would cause me to be certain they are not sanctimonious. But there is a danger of that by just addressing the one aspect of this problem. I agree that we should not have a tax preference. But I can demonstrate that the expense allowance by itself is inadequate to the needs of most of us. To put this motion and not say that is on the edge, frankly, of not really being fair to yourself or to all the other members.

In the narrowness of your presentation, my hon. friend, and in the response of the hon. member for Broadview—Greenwood, you do a disservice to all members by helping to paint this picture of distrust in dealing with one item in isolation and not in the context of all items.

I have only been in this House for three years. I came here for the first time from a business background, as a matter of fact, a private business background, but an extensive public business experience as well. I was shocked to find the *ad hoc*, ill-designed, topsy-turvy compensation plan that over decades has been conceived, almost it seems on the basis of, well, what kind of patchwork can we put to the system today to solve this problem?

Last year we instituted a $6,000 a year expense provision for those of us who have to mainftain hotel accommodation, apartment accommodation, or whatever, because we do not live in this area. That came after decades of this House sitting here. That allowance does not provide a means of recompense for me because I happen to own the condominium in which I live. I have to depend on a $40 a day allowance because for some reason it is not deemed appropriate that I file a claim based on my out-of-pocket expenses for a second home, which we all know and every Canadian expects is a requirement of this job.

We go on and on. I have been frustrated at the label that I have received, leaving a business career to come as a member of Parliament, and to find the disrespect in which we are held, the distrust in which we are held, the public perception that we are overpaid and underworked, that we abuse the tax system, we abuse the pension system and that our salaries are too grand.

I am not complaining. I would do this job for free if I could afford it, and as long as I could afford it, because I believe it is one of the most distinguished opportunities any Canadian can have. But the facts are that the total compensation that I receive is inadequate to the expenditures I make and inadequate to the salary I have made all my life. If you count the cost of lost businesses and lost business opportunities, if you take the opportunity cost for this job, it is not remotely adequately reimbursed.

I take issue, frankly, with two individuals who I hold in the utmost respect for addressing this so vigorously in such a narrow, isolated context.

I would challenge you and other members of this House, as I have frankly challenged my own leadership and my own caucus, to launch a study, a commission, some public inquiry into the total compensation of the members of Parliament: the adequacy of salaries in relation to the qualifications and the commitments required; the adequacy of all expenses, the expenses for a second home and for air travel; to make sure that we do not have broken homes because our wives and husbands and children are living apart most of the time; to ensure that the air travel expense we get is not a gift but is there for the purposes we have to serve. Why would you not mention air travel in this motion? The free air travel, the 64 points, particularly if you do not use them for official businesss, is even more offensive than the tax free aspects of the expense allowance.

Mr. Mills: It is not part of the act.

Mr. Bird: Forget the act, we are talking about the total package. You are resting on technicalities. The facts are that the public disrespect members of this House in a total compensation context because every so often somebody, either members themselves or journalists or citizens, take one narrow aspect of our compensation program and highlight it as this motion does today. It makes it look like a very stellar and courageous performance, we are going to change the world. Well, let us really change the world of politics in this country and in this House. Let us call for a public inquiry about the total compensation package, including the pension plan. Let us receive recommendations, let us debate them in this House, let us, in full public view, initiate a brand new compensation regime that touches all of these bases and let us implement it at the time of the next election.

Let us make sure that everybody running for office knows what it is in advance. Let us not compromise anybody's pension plan to this point. They have earned them under visible circumstances. Let us go on, from the next election forward, in a total regime, salaries, expenses, air travel, tax provisions, housing and pension programs that the public has confidence in and it will attract the kinds of people we need in this House.

I would vote for that kind of a motion. I would vote for that kind of a private members' resolution that puts it all on the table and says: "Let's strike such a commission and let's do it now."

Some hon. members: Hear, hear.

• (1840)

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the hon. member who just spoke, spoke very well of some of the problems that attend the life of being a member of Parliament and attend the issues which this bill, in some respects, raises. I say in some respects because what is wrong with the bill is that it does attempt to deal with one particular problem in principle in isolation from the rest of the package, if you like, of issues which the hon. member who just spoke raised and that is the whole matter of compensation for members of Parliament and everything that involves.

Therefore, I would support, rather than this bill, the call by the hon. member who just spoke and the call by others over the years, that in some way or another these questions be taken out of our hands. We cannot win in terms of public opinion no matter what we do, as long as the public continue to be cynical about the political process. I might add that the public have always been to a degree cynical about politicians and the political process. In that sense we do not live in some new age.

I remember going through a book that had been prepared *Fifty Years of Headlines*. One of the headlines I noticed in the year 1906 was about MPs raising their salaries to an exorbitant rate. So as long ago as 1906 the media and, presumably others, were enjoying making members of Parliament out to look bad.

I think this has been an industry for a long time. No doubt, sometimes we have collectively deserved that criticism and other times we have not.

I was disturbed to hear the hon. member for Broadview—Greenwood get up and say that we are the most distrusted people in the country. Frankly I do not feel that way. I do not feel like I am one of the most distrusted people in the country. I am still proud to be a member of Parliament. I still feel good about being a member of Parliament. If the member for Broadview—Greenwood feels like one of the most distrusted people in the country, I feel sorry for him. Sure people are critical of politicians and they are critical of the political process. But I think that is an exaggeration.

What we have here in the form of this bill and in the form of the comments made by the member for Broadview—Greenwood and other comments that have been made from time to time around this place is a form of piety, of piousness, of self–congratulatory heroism at the expense of one's colleagues.

The principle that the member opposite wants to promote, that all money should be treated the same, is a principle that I do not think anybody in my party would have any difficulty with. I think it is a principle we have promoted in the past and continue to promote.

All we are saying about this bill is that by itself it cannot deal with the over–all problem, both with respect to perception and with respect to reality as it pertains to members of Parliament compensation package.

The member is dreaming in technicolour if he thinks that if our expense allowance was to be made taxable and we then found it to be inadequate that we could just simply stroll back in here and increase it so that we would be getting exactly the same amount without bringing down upon ourselves much more criticism than the criticism he feels he is responding to now, I think he is being quite unrealistic.

Therefore, I go back to my original point, that no matter how we deal with it, what we need to do is somehow get it out of our hands. That point was made by my leader the other day with respect to the whole issue of MPs pensions, which has become such an issue, that is to get it out of our hands, to have somebody else make that judgment and probably to go beyond what we have done over the years, which is by law to have two retired MPs look at it. People could still say: "Well it is still part of the club". Let us have a mixture of people look at it and come in with some recommendations. I venture to suggest that if we did our jobs here, the responsibilities that we have might be judged by these outsiders to be worthy of more compensation than we receive now. I do not know.

The problem is that it might be the case in spite of everything everybody believes, that the greatest restraint on MPs salaries and other things is to some degree the fact that we do have to set them ourselves and we are politically answerable for that. Maybe there have been times when that has not been the case. I am certainly open to that, having voted against an increase myself in 1981, the last time there was an increase.

But it may be the case that the very fact we are in control of it actually acts as a restraint. It may be hard to believe, given everything people say these days about our benefits, et cetera. In spite of the fact that it might be true, I say for the sake of the political process and for the sake of members of Parliament, we do have to get it out of our hands.

It will not be just us who will have to take our chances with whatever those people will recommend, the public will have to take its chances with what an independent review of our situation might recommend. We will all have to take our chances.

The attempt by the member of single out this one element however much I might agree with the tax principle involved—

Mr. Mills: Well, that is what it is, a tax principle.

Mr. Blaikie: The tax principle involved is misguided at this point to the extent that it does not deal with the entire package it would have to deal with in order to be adequate.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I would like to thank the hon. member for Ontario for bringing this subject to our attention this evening.

I for one can say one's standard of living does not go up when one becomes a member of Parliament. Nonetheless, it still does not alter the fact that the vast majority of people think that members of Parliament are very highly paid people. True, our salaries are certainly well above the average of what a lot of Canadians are earning. We are allowed an expense allowance, tax free money that is given to us to cover the extra expenses we have in accepting this challenge that has been given to us.

I think the hon. member from New Brunswick has hit the nail on the head when he said: "Listen, let us not look at this in isolation. Let us look at the total package and see if we can improve on what has been done".

I know in many other jurisdictions, at the lower levels in public life, the tax free money is usually one-third of the total compensation. That is not the case for members of Parliament. It has been kept to a set amount. I also know the way of life members of Parliament are obliged to live and what people expect of them when they send them invitations to various fundraising activities in the ridings and when people come to Ottawa and look forward to being entertained upstairs in the restaurant. These are things people just assume we can put on an expense account and get reimbursed for.

No, it comes out of the allowance which has been given to us, along with our second residence. In the last two years, we have been able to claim up to $6,000 of allowance for living away from our principal residence.

While I speak in favour of the sentiment of what the hon. member for Ontario is proposing to us, we cannot just look at it in isolation. I do not think he suggested that. I did not hear him say that in his remarks. He said that we would have to look at the total compensation to make sure that we are being fairly compensated.

• (1850)

The very reason we have to say that is the fact that we do not want just people that can afford to be sent to Ottawa to run for office.

We want to make sure that we have the proper cross-section of our country, one that stretches from coast to coast from various vocations so that our country is represented in a way that reflects the mix of our country.

While I express sentiment to what has been done by the hon. member, I concur with what the member from New Brunswick has said to us tonight, that we would really need to do a little more studying on this rather than treating this just by itself.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Since no more members wish to speak, the time provided for the consideration of Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 96(1), the Order is dropped from the Order Paper.

It being 6.52 p.m., this House stands adjourned until tomorrow at 10 o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.52 p.m.

HOUSE OF COMMONS

Friday, March 13, 1992

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—TRADE

Mr. Bill Blaikie (Winnipeg Transcona) moved:

That, in the opinion of this House, Canada should withdraw from the negotiations concerning a North American free trade agreement, give notice of withdrawal from the Canada–U.S. Free Trade Agreement, and pursue a global trade strategy not based on making the planet an unfettered playground for the multinational corporate elite.

He said: Madam Speaker, come the next election Canadians will have to make a choice about the future of their country. That choice will be a choice between electing a political party like the Progressive Conservative Party of Canada or the Reform Party of Canada—

• (1010)

An hon. member: Same thing.

Mr. Blaikie: Same thing, someone says, incorrectly—that is committed to the Canada–U.S. Free Trade Agreement and the idea of a North American free trade agreement, now being negotiated between Canada, the U.S. and Mexico; or electing a political party that believes that these two agreements, one actual and one potential, ever imminent as we understand, to be so anti-ethical to the survival of Canada that we must get out of one and avoid ever getting into the other.

This is the choice that must be put to the Canadian people at the time of the next election, and it is the New Democratic Party of Canada, and only the New Democratic Party of Canada, that will make that choice a possibility for Canadians in 1992 or 1993, whenever the next election comes.

It will be our duty to do so, both in faithfulness to our own principles and in faithfulness to Canada. Canadians will have to choose between a future dictated by these agreements, a future which will involve one set of problems, or a future free to seek a real and qualitatively different alternative to such agreements, a future which will also have its own set of problems.

In a world that is characterized by the so-called globalization trend that the Canada–U.S. Free Trade Agreement and the North American free trade agreement are both symptoms of and responses to, the choice is whether to resist this trend or to accommodate it or, even more accurately, when it comes to the current government, to be a promoter of it.

Accommodation or resistance, these are the choices. The accommodationist says, of globalization and its other buzzword "competitiveness", that we really have no option. The accommodationists suggest that those who run the world are increasingly designing a world in which this is the stark reality and that the sooner we get on the bandwagon and redesign ourselves to fit this new world, the better. To accommodationists this is the counsel of reality. To those who would resist, it is of course the counsel of despair.

The accommodationist either believes or wants others to believe in any case, that globalization is something like the weather, that we cannot do anything about it, that the emerging global marketplace is not a human creation answerable to some account of what it does for or to humanity, but a force unto itself to which the wise would do well to submit. To do otherwise is folly, would say the accommodationists.

The resister says of globalization and competition that a planet controlled by global market forces only is not

only not desirable but also not inevitable. The resister says that it is one world, yes; an increasingly smaller world, yes; but the resister imagines this one world as a global community rather than a global marketplace where co-operation rather than competition is the buzzword of the earth's future.

The resister says that the globalization we have now before us, and which we are asked to embrace, is nothing other than a politically sanitized concept designed to cover up reality. The reality is that the multinational corporate elite want to turn the planet into a playground for themselves, where they can play their games with each other, unfettered by nuisance factors like democratically elected governments and well supplied with the economic equivalent of cannon fodder, i.e. anxious populations ready to accept injustices or even the dismantling of existing structures of justice in order to secure investment or jobs at the expense of other equally anxious populations less willing or less able to offer the same deal.

Globalization is another name for comprehensive, integrated and very sophisticated blackmail in which governments accept the blackmailer's demands on behalf of their people and then go on to enforce the demands on their own people, all the while muttering phrases that would have us believe that this is strong medicine but will do the trick. It is not medicine, Madam Speaker, it is poison.

In Canada, as with others, the blackmail is twofold: first, we are blackmailed into these agreements in the first place by the corporate community collectively, or seduced into them by massive advertising campaigns, as was the case in the last election. The agreement then makes corporate blackmail on a corporation by corporation basis as well as collectively that much easier and that much more acceptable in the sense that the FTA and/or NAFTA make acceptable what was previously morally suspect. It is not something that Canadians have missed either. What is okay for corporations is okay for individual Canadians and so we get the cross-border shopping phenomenon aggravated by the GST and by a high dollar that is also related to the FTA. But I digress.

In the Third World the blackmail comes in the form of what is called structural adjustment which is the euphemism for, among other things, deliberately starving children in order to save the value system of the global financial world. Structural adjustment is the name given to the demands made on Third World governments which would otherwise want to feed their own people, grow their own food, expand public health services, export their resources for a profit and other such ridiculous things, but are forced not to because such plans do not fit the economic model favoured by the IMF or the World Bank.

In Canada we are under structural adjustment as well. The difference is that we will have to dismantle where others are being asked not to build in the first place. The other difference, to some degree, is that our government seems to actually believe this is all to the good, whereas at least some Third World countries or governments have the self-respect to think otherwise and even to resist at times.

What is at stake in all of these issues is power. Who will run the world, and for what end? It is a question of sovereignty, but not sovereignty only in the narrow 19th century national or nation state sense of the word, although that is not unimportant, it is a question of sovereignty in the big "P" political sense of who and what will be sovereign not only in Canada but in the whole world. Will the marketplace be sovereign?

The problem with the FTA and NAFTA and globalization in general is that they answer this question of sovereignty in a way that puts an end to the ideological debate that has been going on in Canada and other western countries for decades. The debate between market and state, private and public, right and left, produced a balance, albeit fluctuating, between different points of view that gave us mixed economies, an admirable measure of social justice and enough of a role for government that democracy mattered to the economy. But the key thing really is that no one view or institution was absolutely sovereign.

The accommodationists, in answer to the criticism that Canadian sovereignty is sacrificed to the FTA, argued that it was an act of sovereignty to sign the agreement. The resisters agreed that sovereignty can be delegated, but sovereignty is a political thing that can only be delegated to something which is also political. National sovereignty can be delegated two ways; in a decentralizing way toward regions or provinces, or it can be delegated upward, so to speak, to an international political entity like the UN. But to delegate sovereignty to the marketplace, to a non-political, non-democratic reality like either the continental or global marketplace is not delegation of sovereignty; it is an abdication of sovereignty, an abdication of Canada's sovereignty which

is part of a larger subversion of legitimate political power by unaccountable global economic power.

Those on the right that have always favoured the marketplace in an uncritical way will now have their way without having to resort to politics. Their goals will eventually be realized by such trade agreements. The economic conditions and rules demanded by these agreements, or by GATT for that matter, which the powers that be wish to see similarly dominated by uncritical free market values, will eat away at supply management, at social programs, at fair labour legislation, environmental regulations and anything which gets in the way of the freedom of the powerful to do what they want.

Domestic political sovereignty becomes a cruel joke. What we are seeing here is the death of politics. Governments will be reduced to catering spectators or beggars, trading their people's values away in return for the favour of global investors.

• (1020)

Even those who voted for the FTA will be surprised at how the Canada they love depended on healthy debate rather than the entrenched victory of their own vision. Their victory will be tragic. Be careful what you ask for, they should be warned, you might get it.

Resisters might be willing to delegate economic sovereignty to an international political organization that was open to regular input from its constituent members, like the UN or the European Economic Community are to some degree, if that international body was dedicated to co-operation rather than competition. It would not be enough to be a timid referee of a global economic dogfight. Delegation of sovereignty will have to occur in some way or another if we are to solve the global ecological crisis.

However, instead of this kind of sovereignty erosion, we are seeing sovereignty eroded in favour of the very eco-ignorant market forces that helped create the environmental crisis in the first place.

In a world where we have just celebrated the end of bureaucratic state totalitarianism in the east, we seem poised in a fit of ideological blindness and gloating to adopt the raw capitalism we left behind years ago. Only now it will be called globalization rather than the brute totalitarianism of economic greed and corporate self-interest which bred the other form of totalitarianism in the first place. Both these forms of totalitarianism will be and have been severely damaging to the environment and to human dignity.

I hope what I have done today is to demonstrate just how profound our objection is to the Canada-U.S. Free Trade Agreement and the possibility of a North American free trade agreement and after that a hemispheric free trade agreement.

It is not just that it is a bad deal that needs to be renegotiated. It certainly is a bad deal. It did not obtain what the government set out to obtain, which was immunity from American trade laws.

In return for not obtaining what we set out to obtain, we gave up our ability to control our energy policy and our investment policies. We gave up control over services and indirectly we set the conditions for the eventual disappearance of our social programs as we know them, our tax system as we know it and various other things that I do not have the time to go into.

This deal will not be renegotiated. This is Liberal illusion. It would only be reopened to make it better for the Americans. Even if in some magical way it could be opened and improved for Canadians—and here I think is the profound difference between the NDP and the Liberals—it would still be a bad deal. It would still be a bad deal because it enshrines a way of understanding a world that is morally wrong.

Canadians will have to choose. Trying to build an alternative to the world intended by these agreements will not be easy.

Maybe the devil we know is already the FTA and Canadians will prefer the devil they know, but it is a devil. Trying to live otherwise will not be the devil, but it will be difficult. It will take a commitment to do what we can by ourselves and what we can do in co-operation with others in the world who want a different world than that envisioned by these agreements.

The Americans will not like it. They want a hemispheric free trade agreement. They could get nasty. But if we do not risk these acts of self-respect and democratic recovery that are recommended in this motion, then Canada is lost in any event.

The question is: Do we want to live on our knees or on our own two feet? The accommodationists would say that we will suffer a decline in our standard of living if we do not buckle under.

The resisters might say that our standard of living is probably bound to fall in any event, either as globalization and continentalization take place, or as American retaliation for abrogation takes place. Or indeed, which would be a positive thing, if we came to distribute the world's resources more equally in a way that provided for frugal comfort for all the people of the world.

A decline in the standard of living can either happen together in a way that preserves that which is truly valuable or randomly as some are devastated by the marketplace and others, a minority, prosper.

The Liberal Party, whose leader in 1988 fought the fight of his life and now comes to the House of Commons once in a blue moon even though he is still an MP, does not have the visceral hatred of the free trade agreement that will be needed to abrogate it. It and its corporate backers, and they are many, legion indeed, will try to sell the renegotiation angle. It might even have to pretend that it wants to abrogate it again if that becomes politically necessary.

However, the Liberal Party's early opposition to participating in the NAFTA talks which disappeared so quickly should be a sign to those who want to see reality. I say those who want to see reality, and I say that for a reason, because not all want to see reality.

There is a class of people in this country that wants to abrogate the FTA but wants to still be able to vote Liberal. This will be a fatal illusion, fatal for Canada and fatal perhaps for the NDP, though that really will not matter any more because if the FTA continues the kind of Canada that the NDP has worked for and envisions yet will be impossible in any event.

The Liberals will not do anything significant to change, let alone abrogate the Canada-U.S. Free Trade Agreement. There are those who sometimes from the right of the NDP in the Liberal universe agree with the NDP or know in their hearts that we are the only choice on these kinds of issues but who sociologically cannot bring themselves to vote, or even worse openly support or be NDP.

It is like moving to the other side of the tracks. Self-esteem does not permit it. It is like joining the outs. It is much nicer to be progressive and still be part of the ins. There are others to the left of the NDP who are very self-righteous when it comes to judging the NDP on many issues but they have no compunction about joining with Liberals and various coalitions sometimes at election time.

Those two groups are united by their common sense of being too good or too sophisticated for the New Democratic Party. I say here today that these tendencies will have to be swallowed and eliminated if Canada is to survive. Otherwise it will be said of such people when true histories are written that what they were too good for was not the NDP, but the Canada they and a majority of other Canadians loved and wanted to defend.

Maude Barlow's book *Parcel of Rogues*, the book she did with Bruce Campbell *Take Back the Nation*, Linda McQuaig's book *The Quick and the Dead*, Mel Hurtig's book *Betrayal of Canada*, all side-step this crucial question of who can actually be trusted to get rid of the deal.

More or less, none of the books deal with the question of who can be trusted and more or less all of them, if they acknowledge the NDP at all—and some of them do not even acknowledge our existence—avoid judgments on who will actually do the deed of abrogating the agreement. It is the question that dare not speak its name, but unless it is asked and debated, the Canadian people will be served very poorly.

Parcel of Rogues is a title that takes its name from a poem by Robert Burns called *The Union* in which he refers to the fact that Scotland, which never submitted to English steel, was bought and sold for English gold. I used this poem in the House to make such a point on Burn's Day on January 25, 1988, long before the book was even conceived.

An even more instructive analogy in the same vein would be the highland clearances. What made the highland clearances even more despicable and disgusting was the fact that it was perpetrated by the people's own traditional leaders who sold them out to southern interests.

• (1030)

Some historians have explained the relative acceptance of the Scots of such atrocities compared to the Irish by noting that they made the mistake of deferring to

their traditional leadership, of trusting them, whereas the Irish knew their landlords to be foreigners and responded accordingly. They are independent today.

Canadians must not make the same mistake by trusting their traditional leadership. The traditional leadership of this country, Liberal and Conservative, is so bought and paid for, so integrated and assimilated into the business elite who wanted these deals in the first place, that they will sell us out each in their own way. The Liberals might feel a bit more guilty about it. They might be a bit like Lord Selkirk and resettle some of us in the economic Red River of the future if they can design one, but we will be cleared all the same, along with everything else that makes us Canadian.

I think I have honestly put the reality of the choices that Canadians face. All political parties have an obligation to say exactly where they are on these choices and why. I have tried to do that today for the NDP. I know where the government stands. Where do the Liberals stand?

I know the hon. member for Winnipeg South Centre is a critic of the Canada–U.S. Free Trade Agreement. I am truly puzzled and disappointed by his apparent retreat from that position. He now talks about shaping globalization. Globalization will not be shaped. The global community will be shaped when enough of us are willing to stand outside the mindset of globalization, name it for what it really is and set about the very difficult task of building an alternative.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I am very fond of the member who introduced the motion. This was the most eloquent new dinosaur speech I have heard for a long time, dinosaur in the sense that the New Democratic Party would want the country and the world to go back to Jules Verne's *Around the World in 80 Days*, high tariff, a world that is back where it used to be when we cleared the highland lands.

This is a world that is increasingly getting smaller and smaller. The fax machine and the satellite move news at unbelievable speed. To have a speech based on bring back the high tariffs, bring back big protection, make Canada an island of protection is unbelievable.

I, therefore, want to ask the member what he would do. Would he abolish the free trade agreement? Would he put the tariffs back where Sir John A. had them? Would we go back to 50 per cent tariffs on our manufacturers coming in? Would we try to be self-sufficient in Canada? Has he got a new way to grow oranges? What kind of a Canada does he want? Does he want us all back in little tiny houses with maybe one bathroom and no car? Are we going to go back to the Depression? Would he really want us back to riding the rails? Are we going back to the days of the CCF in Regina? Would he really want that kind of Canada? Does he want to throw away companies like Northern Telecom? Does he want to throw away all of our R and D investment? Does he want to put us back where we have no world markets? What kind of Canada does the NDP see?

Mr. Blaikie: Madam Speaker, as usual the member for Mississauga South completely missed the point, particularly the point about the highland clearances. It was not a point of trying to go back to any particular point in time, it was a question about the mistake that people can sometimes make in trusting their leadership. Sometimes that leadership sells them out to other interests. That is the claim I am making about Canadian corporate leadership in this country today. Whether it finds its expression in the Liberal or the Conservative Party, we are in the process, and have been for some time, of being sold out by our own leadership. That was the point I was trying to make and I am sorry if it went over the head of the hon. member for Mississauga South.

With respect to the question of tariffs, I did not even speak about tariffs. The member knows that with respect to tariffs before the beginning of the free trade agreement, 80 per cent of our trade with the United States was tariff-free in any event. The objection to the free trade agreement on the part of the NDP has a lot more to do with the other things that are involved in the agreement than simply the matter of tariffs. I think that is a complete misrepresentation and stereotyping of what I was trying to say.

It is not a question of going back; it is never a question of going back. It is a only a question of going ahead. I accept the global village. I accept that it is not around the world in 80 days anymore, but through satellite communication, around the world in 80 seconds perhaps. I made that point, if the hon. member would have listened to the speech. I said what we needed to create was a global community rather than a global marketplace. I hope that the member will take the opportunity on Monday to read *Hansard* so that he can see the great chunks of my speech

that he missed while he was doing whatever he was doing.

Mr. Ronald J. Duhamel (St. Boniface): I listened very intently, very carefully, to what my colleague had to say. While I was of open mind and wanted to be generous, I was disappointed that he would cast negative aspersions on the attendance of one particular Liberal member. In terms of attendance, I could mention a member from his party who has got a better record. The singling out of my colleague from Winnipeg South Centre was inappropriate.

He talked about the Liberal corporate backers. Well, I have got to tell you, my backing is from the people. He does not talk about the unions. He does not talk about the greatest credibility factor that the NDP has, and that is the lack of economic policy. He suggests that the Liberal statement to sit down and renegotiate is not an honest one. I am terribly disappointed that he should say that. I will tell you why.

I have an article here from the *Financial Post* dated October 28, 1991. It says of the leader of his party, and I quote:

> She now says she would try to renegotiate it first.

It refers to the Canada–U.S. trade agreement. It goes on to say:

> If elected, we will sit down with the Americans and say how can we make this thing work? If not, we would give them six months notice, she said.

Is that not renegotiation? If it is not, then tell me what it is. I am disappointed that my colleague would not have acknowledged this position on the part of his leader.

Mr. Blaikie: You can always tell when you have hit something after you throw a stone in a pack of dogs and they start to yelp.

An hon. member: Are we a pack of dogs?

Mr. Murphy: On good days.

Mr. Blaikie: On good days.

Mr. Duhamel: I tried to be generous. I tried to be gentle. I tried to ask a responsible question and the member refers to tossing a stone among a pack of dogs. I resent that kind of statement and I would ask for an immediate withdrawal, please.

Mr. Blaikie: This is a common parliamentary analogy. I am sorry if the member is so sensitive that he cannot even stand such an analogy. I have no intention of withdrawing it because it is not out of order at all. I was simply drawing an analogy.

The member talks about how disappointed he is. I am sorry, but it would have been out of order to have referred to the absence of a particular member on a specific day, i.e. today. I had no intention of doing that. I do find it odd. I am sorry if the hon. member finds it offensive that the former leader of the Liberal Party could be involved in the fight of his life in 1988 and continue to be a member of Parliament and hardly ever show up here to continue the fight of his life and this country against the Canada–U.S. Free Trade Agreement and the North American free trade agreement.

I had a great deal of respect for the leader of the Liberal Party who I am talking about now, but I have to say in all honesty that I am disappointed in him, if you want to pursue the matter, the fact that he is not here to carry on that fight of his life. With respect to the member for Winnipeg South Centre, I said that with the greatest of respect. But I am trying to draw you out.

• (1040)

An hon. member: Tell us where you stand.

An hon. member: This is really bad.

Mr. Mifflin: Madam Speaker, on a point of order. I want to say that this is the first time since I have been in this House that I have risen on a point of order. I cannot sit here and see the rules of this House that I respect very much being denigrated.

An hon. member: Who is breaking the rules?

Mr. Mifflin: I am not breaking the rules. If you would listen long enough, you would hear what I have to say. You people should pay attention once in a while.

Madam Deputy Speaker: Order, please. This is Friday the 13th and it is early in the morning. Let us not make it a long painful day for anyone. I know where the hon. member for Bonavista—Trinity—Conception is going.

Mr. Mifflin: And I would like to get there, Madam Speaker.

Madam Deputy Speaker: I think the member is already there.

The hon. member for Winnipeg Transcona did not mention at this time that a member was or was not present in the House. He referred to something else. Therefore, I could not according to all rules really take him up on it. I did hear him and I was hoping that he would somehow go to another subject. And I think he will.

Mr. Murphy: Madam Speaker, on a point of order. I suggest the members of the Liberal Party read Standing Order 15, and I quote:

> Except as otherwise provided in these Standing Orders, every Member is bound to attend the service of the House unless leave of absence has been given him or her by the House.

I do not believe that the member for Vancouver Quadra has that leave.

An hon. member: Oh, oh, now you have done it.

Madam Deputy Speaker: The hon. member for Bonavista—Trinity—Conception had the floor.

Mr. Mifflin: I do thank you for allowing me to really make my point of order. I appreciate that you can read my mind and I think that is great. You are absolutely right. This is where I was going.

Madam Speaker, do we rely on Beauchesne for everything we want to do in this House? There are not enough books written to control and contain what we have to do to achieve what we are about here.

While the hon. member for Winnipeg Transcona may have been within the finite rules of the House, and I will take your word for this, it does absolutely nothing to the tone of the discussion for him to zero in on one member or another hon. member, to get up on a point of order and read Beauchesne's, to quote something that is totally irrelevant to the discussion.

Madam Speaker, I plead with you to watch the tone of this discussion and at least, if nothing else, I plead for relevancy in this subject.

Mr. Mills: Madam Speaker, on a point of order. I would like to come at this from a different point. I do not know all the rules of Beauchesne's, but it seems to me that it is not appropriate for a member of Parliament to stand here and slam a former Prime Minister, a man who served this House for over 30 years, a man who, by the way, put his views on free trade quite clearly on the record, and they happen to concur with the member's. Therefore, I think it is a questionable experience that somebody stoop to that level to slam someone who is not in the House.

An hon. member: Right on.

Madam Deputy Speaker: With the permission of the House, I would like us to go on with the debate, which is the motion before the House today, and try to stay within the realms of that motion. We will do a lot more for this place and for the country than by getting into personal attacks of any kind.

Some hon. members: Hear, hear.

Madam Deputy Speaker: I see the hon. member for Churchill rising. I have just asked the House to please let us go on with debate.

An hon. member: Question.

Madam Deputy Speaker: Is this on another matter, or was the hon. gentleman trying to put a little more oil on the fire? The hon. member for Churchill.

Mr. Murphy: Madam Speaker, I am not trying to put oil on the fire but just to correct something. I was not quoting from Beauchesne, I was quoting from the Standing Orders.

Madam Deputy Speaker: Yes, the Chair was aware that it was Standing Order 15. I have read the Standing Orders.

There is a minute and 45 seconds remaining in the period for questions or comments. The hon. member for Broadview—Greenwood.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I listened attentively to the member for Winnipeg Transcona, and if I understood him correctly, he basically would like to abolish or rip up all of the various trading transactions that we have with the United States.

My problem with his approach has to do with the auto pact. This is a proven instrument of trade between both countries. I know his former leader was a strong proponent of this. I know many members of the Canadian auto workers union support this—

Mr. Blenkarn: They didn't originally, they voted against it in—

Mr. Mills: They were against, now they are for, but the main thing is now they are for it. My concern is one of

responsibility. I acknowledge a thousand weaknesses in the free trade deal, and I do not think anyone in this House would ever question where I stood on the free trade agreement. My question to the member is this. Does he not think that there are some existing trade agreements with the Americans, i.e. the auto pact, that he would throw into jeopardy by an irresponsible tone or an irresponsible approach to this existing document?

Madam Deputy Speaker: A very short answer, the hon. member for Winnipeg Transcona.

Mr. Blaikie: Madam Speaker, I did not advocate, as the member said, scrapping all agreements with the United States. I talked about the FTA and the North American free trade agreement.

The member does point out, quite rightly, that the bind that the country has been put in with respect to our relationship with the United States by this agreement, because what he is trying to do is imply that if we were to get out of these agreements, the form of American retaliation might be, for instance, the cancelling of the auto pact. I presume that is what he suggests.

This is why it was so misleading for the Prime Minister to say in 1988: "Well, it is just a commercial agreement; if we don't like it we will just get out of it".

I tried to be honest in my own remarks about the consequences of getting out of it; the consequences of it could be nasty. I said that. I tried to say that Canadians will have to make that choice. They will have to choose between the difficulty of staying in the agreement and the difficulty of being out of it. I say we choose the difficulty of being out of it. That is fair enough. I want to know what difficulty you choose.

Hon. William C. Winegard (Minister for Science): Madam Speaker, it is a little hard to know from the tone of the conversation so far, but this is a serious debate we are undertaking here today. The continued success of our trade performance is critical to our future prosperity as a nation. I think every Canadian from coast to coast to coast has a stake in the export success of our entrepreneurs and that is why this government from the day it took office has placed international trade at the top of its agenda.

We have pursued a strategy aimed at making Canada an international competitor worthy of the tough global economy that we have today. I emphasize "global" and I emphasize "today".

We do not live in the past, nor do we intend to. We cannot lift the drawbridge and keep the world out. We have faith in the ability of Canadian companies to compete with known rules of the game. That is really what this is about. To be successful our trade strategy must reflect the realities of today's global economy and Canada's place in it. Regretfully there is no room for romantic and fanciful delusions based on past or imagined successes.

• (1050)

The resolution before us today gives the illusion of promoting a global strategy, but at heart it is a council of despair. It seeks a world that simply does not exist, a world that would ignore the realities of geography, a world that would not recognize the benefits of foreign investment, a world that would tear up our trade agreements, isolate us from our principal trading partners; a world that would turn its back on the achievements of the past, as emphasized by the comments from my colleague from Mississauga, and leave us naked before the challenges of tomorrow.

This government's approach to international market development, to international trade negotiations and to international trade relations has been based on the fundamental premise that Canada is a global trading nation, no more, no less. It also recognizes that we live next door to the richest and most advanced economy on earth. Other countries would give their eye teeth to be so blessed. It is not an unmixed blessing, as we know so well, but surely it is a blessing and let us not believe otherwise.

The United States is our best customer and we are theirs. Last year alone we did $256 billion worth of business between the two countries. No other countries come close to that. It is quality business. It is not just rocks and logs but it is cars and computers. It is software and engineering contracts. It is satellites and subway cars. It is flight simulators and wing assemblies. The Japanese would love to do that much business, so would the Mexicans and the Europeans and indeed, everyone else; except it seems members opposite.

They would tear up the agreement that provides the security for trade, the agreement that furnishes the framework of rules and procedures that gives Canadians the confidence to take on tough markets, the agreement that provides the foundation for two million jobs in Canada.

Our appreciation of that agreement and the trade it represents should not be misled by focusing entirely on irritants. Such irritants are not a sign of weakness but the result of strength. They are a recognition by American interests that we are successful traders. That does not make them easier to accept. These trade disputes sting but it should at least give us some perspective on this whole issue.

Five per cent of our exports to the United States are affected by the current list of irritants. We do not like that number. We do not like the irritants but we have to reduce the number. We have to remember also that 95 per cent of the trade is flowing freely, exactly as we would like.

We are confident with respect to the irritants that right is on our side. Tearing up the agreement would place the 95 per cent at risk. How is that for a great trade strategy? Who would benefit from such a flight from reality? To compound the error of tearing up the FTA, the resolution would have Canada walk away from the NAFTA negotiations.

An hon. member: And the GATT.

Mr. Winegard: And the GATT, as my colleague says. Not only would the resolution ensure a trade war with the United States, it would tell Canada and by implication our Latin American trading partners that we are not prepared to work with them, that we are no longer interested in creating a trading future based on a framework of stable and orderly rules. Make no mistake, that is what the NAFTA negotiations are all about and that is what we would turn our back on.

The GATT world trade talks are an integral and critical element in Canada's trade strategy. It is neither an alternative to nor unrelated to the FTA or the NAFTA. They are all a concerted effort by Canada and its trading partners to create a more ordered and more predictable global trading system. Each is an effort to strengthen the rules, to improve procedures to resolve disputes and to bind nations to a common approach to the regulation of trade and investment.

For Canada, the success of these negotiations is critically important. It will help us gain and defend access to the markets of the world, including the United States and Mexico. In other words, we have not placed our eggs in a single basket, rather we are defending and promoting Canadian trade interests wherever there is an opportunity to do so.

I just came back from an OECD meeting of science and technology ministers having to do with the economy and growth. The whole meeting, with governments of every stripe, concentrated on how we can all be more prosperous, how we can all trade with each other, how we can all have economies of benefit if we have the rules of the game clearly spelled out. That is what this is all about.

Our trade with the United States is important, but so is our trade with the rest of the world.

In 1991, our trade with all of our trading partners totalled $381.6 billion; that is one-quarter of our Gross Domestic Product. Trade with countries other than the United States totalled $124.7 billion. You have to remember that merchandise exports of $34.1 billion translate into more than a million jobs for Canadians. Our merchandise trade with countries other than the United States is growing. Our global approach has been instrumental in a 5 per cent annual growth in that trade since we took office.

Those numbers are the result of Canada's multi-faceted, global trade strategy. Canadian entrepreneurs know that wherever they go they can count on the support of Canada's 1,060 trade commissioners. They know where to find them at 90 offices across the world, at headquarters and at international trade centres across Canada. They know they can rely on hundreds of agreements that Canada has negotiated to smooth their way: air agreements, double tax agreements, economic co-operation agreements, investment agreements, export financing agreements.

Canadian exporters know that they can draw on the support programs developed to assist their marketing efforts: the Program for Export Market Development (PEMD), trade fairs and missions, the Strategic Ventures Program, Going Global, CIDA Inc., the EDC and more.

There is probably not a member in this House who has not used one or more of those programs to promote trade in their own constituency. It is interesting that

when it comes to their home constituencies, they want Canada to be an international trading partner and they want Canada to have these kinds of programs which promote their own constituency, but when it gets to the global enterprise, somehow or another they cannot quite manage to grasp the significance of what is being done.

The programs that I have mentioned do not cater to the multinational corporate elite, as you would have believed from listening to the comments earlier. They are for Canadian companies large and small. They are for companies that are found right across Canada; Halifax, Guelph, Gravelburg, Saskatchewan. They employ your neighbours and mine. Our programs are not just for big companies, they are for all Canadian companies.

Our strategy for trade starts at home. We will not be successful traders abroad unless we are successful competitors at home.

I have travelled across this country in the last two years, talking about what we need to do to be a competitive nation, telling the people about the use of technology and how it will help us in terms of economic growth, giving facts and figures of the difficulties as I see them and there has been a response. The whole prosperity initiative is based upon these kinds of discussions with Canadians from coast to coast. They do not want us to rip up the FTA. They want us to continue our discussions with NAFTA. They understand that Canada is a trading nation and must remain so.

• (1100)

Madam Deputy Speaker: Unfortunately, I will have to interrupt the hon. minister. He will have a little more than eight minutes remaining when we resume debate.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

DELTA HOSPITAL

Mr. Stan Wilbee (Delta): Madam Speaker, yesterday there was a collision between a British Columbia ferry and a Japanese bulk coal carrier off Roberts Bank which is located in my riding of Delta.

The 17 injured passengers were taken to Delta hospital for acute emergency care. Although the hospital only has 75 acute care beds, because it is on many major transportation links and the only hospital south of the Fraser River it has developed an excellent emergency and disaster control program.

This hospital had also handled several casualties from the fatal bus crash on Highway 99 the day before and these casualties had strained the bed situation. In spite of that they handled the emergencies very well yesterday.

I would like to commend the paramedics involved in transporting the injured as well as the administrator, the nursing staff and my former medical colleagues at the Delta hospital for a job well done in bringing good care and comfort to those injury victims. Their planning, practice and expertise has once again paid off in an excellent way.

* * *

THE CONSTITUTION

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, the Minister Responsible for Constitutional Affairs has considerably angered Quebecers by recently suggesting that they would lose their Canadian citizenship if Quebec separates.

In the first place, ministers of the government should not speculate on what might happen as a result of any sovereignty referendum.

Second, the minister is absolutely wrong with respect to the law. At present Canadian law permits dual citizenship. One can be a Canadian and at the same time an American. One can be a Canadian and an Italian.

Furthermore, one can live for a considerable period of time in another country and still retain one's Canadian citizenship.

The only way a Canadian can lose his or her citizenship is by deliberately renouncing it. Obviously, those who vote for Quebec separation would want to do that. But those who do not will have every right to retain this important heritage. Quebecers are worried enough about the situation in their province and do not need unnecessary speculation to upset them even more.

HEALTH CARE

Mr. Lee Clark (Brandon—Souris): Madam Speaker, virtually all Canadians are understandably proud of medicare and the quality of health care which it provides on a universal basis.

Consequently, we are shocked and dismayed when American politicians, as they do on occasion, criticize medicare for what they claim to be its shortcomings.

You can imagine how surprised and angered Canadians would be, therefore, if they had had the opportunity to read the February 27, 1992 edition of *The Brandon Sun* and to discover that a Canadian politician speaking in Neepawa, Manitoba, in fact the leader of the Reform Party, had promised to abolish medicare as a universal program.

Perhaps the leader of the Reform Party who is the son of a Social Credit premier undoubtedly enjoyed a privileged upbringing and does not understand the importance of medicare to ordinary Canadians of all ages and particularly to seniors.

Perhaps he does not understand, therefore, that Canadians will not permit any politician or any party, including those whose roots are in the distant past to destroy medicare as we know it.

* * *

THE SENATE

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I was extremely disappointed that neither the Conservative Party nor the New Democratic Party members of the Special Joint Committee on a Renewed Canada, better known as the Beaudoin-Dobbie committee of which I was a member, would support the Liberal Party's request to have a strong and effective Senate by ensuring that the Senate's decisions could not be overridden or could not easily be overridden by the House of Commons. If you are going to reform the Senate, surely it must among other things, be effective.

The Liberal Party members registered their dissent on this point on page 55 of the committee report which reads:

"Liberal members—disagree with the majority recommendation concerning the powers of the Senate because of the proposed override of a Senate veto of legislation. Such an override, and it was a simple override, will undermine the effectiveness of the Senate—Therefore, the Liberal members of the committee recommend that a reformed Senate be granted an absolute veto on all bills, except for appropriation and budget bills."

* * *

STATUS OF WOMEN

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, International Women's Week is over but double discrimination continues against women of colour and immigrant women.

Domestic workers are locked into live-in jobs where they can be exploited and new policies will exclude many women of colour from coming to Canada as domestics.

Lack of professional accreditation forces many immigrant women to remain in low-paying jobs.

The Tory budget also has added another layer of hardship for these women. The $1 million cut to Canada Jobs Strategy training represents a 35 per cent cut to immigrant women who also lack child care.

Payments owing for pay equity are denied women public servants.

The Court Challenges Program which gave women of colour a chance to achieve equality rights through our courts is cancelled.

The legislated Race Relations Foundation to fight racism is indefinitely postponed.

This government has lost all respect for the rights of minorities, and especially for women of colour who are doubly jeopardized.

* * *

HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Madam Speaker, my constituents continue to offer me some excellent advice and comment.

Ron Fotheringham of Bolton, Ontario writes: "We should enact a simple vocabulary change. We should remove the word 'government' from our vocabulary and substitute the word 'taxpayer' in some cases 'taxpayers representatives'. It changes all our headlines and makes one re-think concepts like, 'The federal government today contributed *X*-million dollars to the purchase of de

Havilland'; 'Metro government calls upon the federal government for aid in covering welfare payments to refugees'; 'Your provincial government will ask the federal government for help in these tough economic times'. I have been replacing 'government' with 'taxpayer' in what I hear, read and say. The impact of this vocabulary change is truly amazing. Try it yourself for a week."

And finally, John Benitz of Belfountain, Ontario, simply sends this message: "The silent majority want a united Canada. We also want Canada to be a privilege to enter as an immigrant and not a right. We want to afford our social programs and not burden our children with our debt."

Thank you, Madam Speaker, for this opportunity to air my constituents' views.

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SUSSEX, NEW BRUNSWICK

Mr. Bob Corbett (Fundy—Royal): Madam Speaker, I would like to draw the attention of all hon. members to a recent survey by *Chatelaine* magazine which names Sussex, New Brunswick, which is located in my riding of Fundy—Royal, as being one of the top 10 towns to live in in Canada.

Sussex, considered by some to be the quintessential rural community, offers its residents the opportunity to ski the slopes of Poley Mountain, enjoy the splendour and magnificent sights of Fundy National Park on a year-long basis, and participate in the many festivals offered throughout the year.

If that were not enough to make one live in Sussex, it also enjoys a sound agricultural base, two potash mines and several food and dairy processors to maintain the 90 per cent regional employment rate.

I know that all members of this House will want to join with me in congratulating Sussex on being named one of the top 10 towns to live in.

* * *

GASOLINE ADDITIVES

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, Canadian consumers are being ripped off by paying for pollution controls that are being damaged by the fuel additive MMT, that may also be putting the health of this nation at risk.

The average new car purchased in Canada costs $16,790. Ford Canada says newer model cars will require an additional $800 worth of emission control devices to meet the green plan's new hydrocarbon emission standards.

Yet as the United States Environmental Protection Agency states in their final notice rejecting the use of MMT in the United States in unleaded fuel for the fourth time: "Ford concluded that the data clearly show that MMT impairs to a significant degree the performance of emission control devices."

The EPA also noted:

"Toyota also submitted data indicating that the efficiency at which the catalyst was operating for the MMT-exposed components was less than that for the non-MMT exposed components."

The green plan emission standards are fraudulent as long as MMT is allowed in Canadian fuel. I call on the government to examine the U.S. EPA decision, the Ford and Toyota evidence, and to replace MMT with the environmentally friendly alternative, ethanol.

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DUTY FREE SHOPS

Mr. Ken James (Sarnia—Lambton): Madam Speaker, the Canadian land border duty free program provides a valuable source of revenue to the federal government and the border communities. It creates employment and promotes tourism and national identity through the sale of Canadian manufactured products.

• (1110)

Members of the industry, however, insist that they are unintended victims of the government's plan to levy an excise tax on all exports of Canadian tobacco products.

The purpose of the tax is to combat tobacco smuggling. However, studies have failed to make any connection between our tobacco smuggling problem and duty free shops.

The land border duty free shops account for less than 11 per cent of the export market, yet tobacco sales make up over 50 per cent of their total sales. Our duty free shops rely heavily on these sales as catch lines for travellers and tourists.

The industry is prepared to discuss and suggest proposals to relieve anxieties about cross-border shopping and smuggling. I urge the government to accept this invitation and to consult with the land border duty free industry toward a mutually acceptable solution.

* * *

WILSON NEPOOSE

Mr. Robert E. Skelly (Comox—Alberni): Wilson Nepoose spent over five years in jail for a murder conviction based on questionable evidence.

Last year the Minister of Justice, under section 690 of the Criminal Code ordered an appeal for Wilson Nepoose. In its recent decision, the Alberta Court of Appeal overturned his conviction and ordered a new trial.

The appeal court found that the evidence presented to Wilson Nepoose's original trial was deficient. In fact, it has been suggested that the evidence indicating Wilson Nepoose's guilt was, in some cases, fabricated or coerced and in other cases the Crown withheld evidence which supported his innocence.

I call on the Minister of Justice and the Solicitor General to strike a full formal inquiry into the Nepoose murder investigation to find out who fabricated, coerced or withheld evidence and recommend appropriate action.

* * *

SHARE GROUPS

Mr. Dave Worthy (Cariboo—Chilcotin): It was not enough last week that our closest ally and trading partner attacked us. Now it turns out that two members of the NDP have been systematically betraying and slandering the B.C. share groups that represent our resource-based communities.

Share groups are not anti-environment. Our share groups are integral elements of the communities throughout British Columbia. They represent and try to balance the interests of all stakeholders of our forests and our environment.

The membership does include people who work in the forest industry, but they also include others, mayors, teachers, businessmen and ranchers. This is truly a grassroots organization.

Twice stabbed in the back is too much. It is one thing to receive it from the U.S., but it is quite another to have the workers of B.C. attacked by their so-called friends. The communities of Cariboo—Chilcotin will not soon forget this betrayal by the NDP members of Skeena and Comox—Alberni.

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[*Translation*]

BANK RATE

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, yesterday Canadians have seen the bank rate rise for the sixth time since January just because of this government's mind-boggling desire to sustain the Canadian dollar.

With its monetary policy, it is only putting off the economic recovery even further. Unless we put an end to these repeated increases in the bank rate, there will be more bankruptcies, more lay-offs and more de-industrialization.

The Liberal Party of Canada, the Canadian pulp industry, the Conseil du Patronat du Québec and the Canadian manufacturing industry, all denounce this government's irresponsible monetary policy.

I will tell the government that you don't need to destroy the economy to bolster the Canadian dollar. It should stop this nonsense immediately to put an end to this slump and put Canada back on track!

* * *

[*English*]

COAL INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): For months now, members in my caucus, particularly the members for Kootenay East, Edmonton East, Winnipeg Transcona and myself have been pursuing a renewal of coal contracts between Ontario Hydro and western Canadian coal producers in order to protect Canadian jobs.

Earlier this year, Shelley Wark-Martyn, the MPP for Port Arthur and minister of revenue and I convened a meeting in Thunder Bay between Ontario's minister of energy and members of a newly formed coalition. At that meeting, the minister of energy agreed to intervene with Ontario Hydro to see if a made-in-Canada solution could be found and he did.

As we speak, Ontario Hydro is briefing harbour officials in Thunder Bay on the results of those negotiations and later today an announcement is to be made in Calgary.

I am confident that Ontario Hydro, the coal companies, the transporters and handlers have found a way to keep people working to reduce Hydro's costs and to send a clear signal that buying Canadian is a win-win situation. My congratulations to all concerned.

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CATHERINE ANNE FRASER

Mr. Jim Edwards (Edmonton Southwest): Madam Speaker, there were five Alberta women who spearheaded the famous Persons case and the Government of Alberta was the first province to appoint a cabinet minister who was a woman in the Commonwealth. During this International Women's Week it is excellent news to receive the appointment of Madam Justice Catherine Anne Fraser as Chief Justice of Alberta and Chief Justice of the Court of Appeal for the Northwest Territories.

This appointment is not made because Madam Justice Fraser is a woman. She is a jurist of considerable merit, born of Ukrainian and Arab heritage in New Brunswick, a resident of Alberta for most of her life. She is a graduate of the University of Alberta and the University of London. She was admitted to the bar of Alberta in 1971, appointed a Queen's Counsel in 1983, appointed to the Court of Queen's Bench of Alberta in 1989 and to the Court of Appeal of Alberta in March 1991.

I am sure all members of the House join me in congratulating Madam Justice Catherine Anne Fraser, the new Chief Justice of Alberta.

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COMMENTS BY MORDECAI RICHLER

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I join the member for Laurier—Sainte-Marie who condemned yesterday the racist remarks by Mr. Mordecai Richler concerning the French Canadian people of Quebec.

As well I am shocked that the Minister of Multiculturalism and Citizenship did not have the decency to respond to the question posed by the hon. member for Shefford—

Mr. Cooper: Order, order.

Madam Deputy Speaker: The hon. member for Bonavista—Trinity—Conception.

* * *

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, yesterday in this House there was a debate on the Liberal motion that Canada should take immediate steps to extend functional jurisdiction for fishing to the nose and tail of the Grand Banks.

The purpose of the motion was to save an essential national industry and valued way of life for many rural Canadians, in particular Atlantic Canadians, from pillaging of Canada's transboundary fish stocks off the east coast.

There were 18 speakers from British Columbia to Newfoundland and much debate on both sides of the House. The government argued that it wanted to do more of the same, more diplomatic action. The opposition argued more of the same is not working. The motion unfortunately was defeated 90 to 51.

Also, yesterday, Canada's ambassador for fishing conservation ended yet another diplomatic shuttle across Europe without any sign whatsoever that the European Community will curb illegal overfishing off Newfoundland.

Clearly the government's gentle strategy is not working and a concerted escalation in effort is required to send a message to the world that Canada will stand by its people dependent on an industry that is being irretrievably crippled by foreigners.

ORAL QUESTION PERIOD

[*Translation*]

PEARSON INTERNATIONAL AIRPORT

Mr. John Manley (Ottawa South): Madam Speaker, my question is for the Minister of Transport. The Canadian airline industry is going through some of the roughest times in its history.

In response to the minister's plans to privatize terminals 1 and 2 at Pearson airport, the president of the Air Transport Association of Canada said this, and I quote: "We want to minimize our costs to be able to compete

with U.S. airlines, but we never asked the minister to renovate the terminals and see no need for it."

Is the minister serious when he talks about making the Canadian airline industry more competitive while at the same time increasing its costs due to privatization?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I do not know where the hon. member got the idea that their costs will go up. We are well aware of the financial situation the airlines are in. We are working on it, through bilateral discussions with the U.S., among others things, in the hope of increasing traffic. But renovating terminals 1 and 2 is part of the plan to get ready to respond, when the time comes, to the increase in traffic expected for 1997–98.

[*English*]

Mr. John Manley (Ottawa South): Madam Speaker, the minister knows very well that the numbers come from the association and the airlines themselves.

Yesterday the minister agreed that the environmental assessment with respect to runway expansion at Pearson would not be available until August at the earliest. The minister also acknowledged that the problems some developers may face in responding within the 90–day time limit to the request for proposals may require him to extend the time limit if they have paid a deposit and shown that they were truly interested. This announcement reeks of unexplained, unwarranted haste.

• (1120)

Why does the minister not remove the foul odour of political favouritism and opportunism from the timing of the announcement of this project and do what Mr. Sinclair from the airline association suggested and simply wait until 1993 when we see how the airline industry shakes down?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, Mr. Sinclair is a past assistant deputy minister in the Department of Transport. He is no longer occupying that position and does not make decisions for Transport Canada.

We have taken notice of his objection. We understand the objection of the airline industry because it is thinking about the bottom line of the next six months. We are thinking about the bottom line for the airline industry in five or six years' time.

Mr. John Manley (Ottawa South): Madam Speaker, what is not clear is who is making the decisions for Transport Canada on this issue.

What is happening here is that the minister has put forward an announcement that is unjustified by the numbers that he announced yesterday. It contradicts what he has in his own estimates. He has been unable to justify the timing, given the fact that the environmental assessment is still under way.

Why is the minister prepared to sacrifice a fair and open process in order to ensure that he has a photo opportunity for the Prime Minister standing with a shovel just in time for the next election?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I do not know if the member is referring to the same insinuation professed in this room yesterday by the Leader of the Opposition. If so, I would like to remind him that that particular gentleman is the father–in–law of one of his own colleagues from Willowdale.

Mr. Stan Keyes (Hamilton West): Madam Speaker, the Minister of Transport predicts record growth to capacity within six years at Pearson airport. When asked how much revenue that will generate, the minister says: "I don't know". When asked how much it would cost the government to renovate terminals 1 and 2, the minister's response is: "I don't know".

Given that Pearson airport makes money, given that private developers are champing—

Madam Deputy Speaker: There has been a long preamble. Will the hon. member come to a question?

Mr. Keyes: My question is, Madam Speaker: Given that private developers are champing at the bit to get a lease arrangement with this government, what do they know that we do not know? What information has the minister given them that he will not provide for this House?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I am sure that you will not allow me the time necessary to tell the hon. member all that he does not know.

On the other hand, we are proceeding on this because we think it is the necessary thing to do, to be able to keep Pearson airport as the main, well functioning airport in Canada. At the same time I remind the member that in a time where the economy is at a slow pace the creation of 3,200 jobs in the Toronto area is a very good gesture.

Mr. Stan Keyes (Hamilton West): Madam Speaker, the stakeholders, the airlines and other levels of government are all saying the same thing. They agree that this is the wrong move at the wrong time.

Will the minister put the brakes on his request for proposals so that the transport committee can do what is in the best interest of the travelling public in this country?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, this is very interesting because on Monday night in Toronto, at the request of the Ontario government, we had a meeting with the minister of transport of Ontario, the minister of the environment of Ontario and four or five mayors from the area.

A document was deposited with us at that time which says that three alternatives for the future ownership and operation of terminal 2 have been analysed. They are continued Transport Canada ownership, transfer to the private sector, or transfer to the SCOAA. Nowhere in this document is there any indication that the Ontario government is against the proposals.

Some hon. members: Table it.

Mr. Corbeil: I will certainly table it with very great pleasure. The only concern of the Ontario government was that it would like to form an LAA, on the board of which would sit the federal government, the provincial government and the municipal government. When the devolution of airport policy was adopted by this government, it said very clearly that it would not transfer airports to other levels of government.

* * *

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, since the budget came out last month, reports have shown our national income in decline, our interest rates rising, unemployment up yet further, and today comes more devastating news with a massive 2.4 per cent decrease in manufacturing. This government is turning Canadian factories into ghost towns.

Will the government recognize that we are still in recession? Will it turn its budget policy in an opposite direction, start getting people back to work in this country and put the manufacturing industry ahead instead of back?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I will recognize without difficulty that the manufacturing industry is indeed going through a very worrisome period. I think everybody agrees with that.

We all know that the national demand is very weak. Foreign demand is very weak. That is why in our last budget we came forward with very precise measures, particularly to help the manufacturing industry, and I hope the hon. member realizes that.

What this situation commands us to do is to make the right decisions, to do everything we can as a government to maintain low interest rates because manufacturers need to be able to invest. They must be able to buy the machinery they need. These are measures we have taken in our budget.

As for interest rates, the hon. member knows that we also have to manage the debt. Every Thursday we put on auction a certain number of money bills or government certificates and people either buy or do not buy them. We are living in a very open market and the interest rates have to fluctuate according to that market.

As a government we do everything we can to try to keep them as low as possible and they are at a record low over the last—

Madam Deputy Speaker: We must go on. The hon. member for Essex—Windsor.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, in fact to give manufacturing incentives to invest at a time when the minister admits that there is not enough demand out there for manufacturing is like pushing on a string. It does not do anything.

Therefore I say to the minister: there is nothing that could hurt our manufacturing industry more than a North American trade deal. Yet the United States now says a deal could be just weeks away. On Monday the Prime Minister attacked our party for not wanting to help a Third World country like Mexico with this deal.

How can the government justify continuing in these negotiations for a free trade deal in North America now that GATT has attacked such a free trade deal as having far-reaching, adverse effects on poorer countries throughout the world?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I think the hon. gentleman will recognize this government has done everything it can to help lower the cost of Canadian products in our last budget through the GST reform.

We had this very stupid situation where one of the largest exporting countries in the world was the only one penalizing its own manufacturers. We have done our share and we continue to do it by making low cost capital available.

We have interest rates that have gone down, thanks to the good management of the government. What does he suggest we do? Should we borrow more money and send out the signal that we do not intend to keep our house in order by sending interest rates flying again?

We are not going to do that, nor are we going to raise taxes in order to spend money we do not have.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, in fact this government for the past six weeks has seen interest rates pushed up in this country. For it to claim that interest rates are declining, thanks to its policy, is sheer nonsense. It just does not meet up with the facts at all.

[*Translation*]

Madam Speaker, I have a supplementary on trans-border shopping in the United States, which has now increased by 30 per cent in Quebec.

• (1130)

Will this government finally realize that its economic strategy is worthless and merely provides an incentive for Quebecers and other Canadians to go and invest their money in the U.S. economy instead of in Canada?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, the United States is also exposed to tremendous competitive pressures, which are increasing steadily. An extremely important point is that Canada, more than any other country in the world, depends on its external trade. Twenty-five per cent of what we build, produce or grow is exported, most of it to the United States.

Previously, our recourse, other than complying with U.S. demands, was very limited. However, thanks to the free trade agreement we now have a tribunal, and we have Canadians sitting on that tribunal, where we can bring these problems.

Two-way trade between Canada and the U.S. is worth hundreds of billions of dollars. When problems arise in certain sectors, we try to deal with them. We have expressed our views very firmly. We intend to defend our interests, and I am sure we will win our case.

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, my question is directed to the Acting Minister of Finance. Small businesses are genuine creators of durable jobs. However, they are now burdened with real interest rates almost six times as high as those charged their competitors in the United States.

How does the minister expect our small businesses to be competitive when they have this incredible burden to deal with?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I agree with the hon. member's analysis when he refers to the importance of small business. It is a sector with tremendous potential, which is indispensable to our economy.

Unfortunately the hon. member talks about interest rates as if the government could raise or lower them by merely pressing a button. They are higher than in the United States, and so we should lower them? I wish he would explain how a government could do that. And how the Liberal government, when it was in power, managed to let interest rates rise 22 per cent. Couldn't it press a button?

We cannot change the market, but by managing wisely, governments can inspire confidence. Since May 1990, interest rates have gone down 625 basis points. We are doing our share, but we cannot ask people to buy our bonds at 2 per cent, because they won't. Interest rates are set by the market.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, that kind of response, talking about nominal interest rates when the question is about real interest rates, does very little to further the economic debate in this country or the credibility of this House or the minister.

Our too high dollar and our too high real interest rates have led to a weakened economy. That weakened economy has led to even higher real interest rates, almost six times higher than the real interest rates in the United States, in order to support wrongly an over-valued Canadian dollar.

The government is caught in a vicious circle of its own making and those who are suffering from it are hundreds of thousands of unemployed Canadians across the land. This vicious circle must be broken. There is only one way for that to happen and that is to bring Canadian real interest rates into line with U.S. real interest rates.

The question is why will the government not do it?

[*Translation*]

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I wish that someday the hon. member would explain how much leeway a government has to play around with interest rates this way.

The hon. member refers to interest rates and to our high dollar as one of the main reasons why we have this situation. In fact, I disagree with his analysis, because interest rates are much lower now, since we brought them down 625 basis points. The dollar is also going down, but we cannot intervene artificially in these areas.

The hon. member must know that the debt we inherited puts a tremendous obligation on us. We have to finance the debt year after year. People won't lend us the money we need at the rate we want but at the rate they want to charge us, because of international competition. We are not the only ones in the market. We try to get the best rate, like any good manager would. We managed to bring interest rates and the dollar down. We have done our share.

[*English*]

TRADE

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I have a question for the Acting Minister for International Trade. I just finished speaking to several well established wholesale lumber dealers in the city of Winnipeg. I think they speak for the same constituency right across Canada. They are being forced out of business by the dithering of this government on the softwood lumber issue. Not only must they pay 14.5 per cent additional costs on the lumber itself, but they now must pay additional costs on transport, loading, distribution, paper work resulting in a 25 per cent increase in costs. They have no choice but to move south.

I want to ask this question. It is the same question we have been asking every day this week. Why will the government not invoke the Employment Support Act which gives this government the authority to help companies affected by unfair trade practices by foreign countries? Why will it not try to help keep Canadian jobs here? What is it afraid of this time?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, the issue my hon. friend refers to has to do with a preliminary ruling by the commerce department in the United States resulting from the termination of the memorandum of understanding.

My friend is quite correct. It is unfair and every measure is being taken to correct the issue. He is also right in saying the value added costs are captured in this new ruling. We have protested that to the United States and, of course, we are appealing the ruling at every step. As he knows, we are very much relying on article 19 of the free trade agreement which allows us access to an independent binding dispute mechanism which is of a judicial nature and there is no doubt that we will be vindicated in all questions of this issue.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, the reality is that by the time the government gets around to all of this finagling under the free trade deal, all those companies will be located south of the border and we will have lost those jobs. They need help now.

Mr. Peterson: Exactly.

Mr. Axworthy (Winnipeg South Centre): I want to ask the Acting Prime Minister or perhaps the acting minister of trade, whomever, about another mess that we are getting ourselves into on the trade front.

We have this morning a statement by Carla Hills, the U.S. trade negotiator, that the North American free trade deal will be signed within a matter of weeks. At the same time, a GATT study released yesterday said to enact the deal will have adverse impact on world trade. I want to ask somebody in the government how we can get into this deal without Canadians even knowing what the conditions are, what the impact will be, how it will affect us and, by signing the deal, is this really Canada saying we are giving up on the international trading system?

Hon. William C. Winegard (Minister for Science): Madam Speaker, the hon. member knows better than that. He knows very well that Canada's main trading position is that we want to work with the GATT, the international trading operation. He also knows that we have benefited from the free trade agreement with the United States. He also knows that we will benefit from a free trade agreement with the whole of North America. That is exactly what the policy of this government is. We rely on trade for our economic growth. We intend to rely on trade and we intend to promote trade at every opportunity.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): My question is for the Minister of Forestry. The news in our forest sector is just getting worse and worse by the day. Yesterday GATT issued a report denouncing U.S. trade policies. Now we have learned that the commerce department decision from last Friday on softwood lumber is also going to apply to the value added by service businesses in Canada to their United States exports. Can the minister tell this House specifically what measures the cabinet has met to discuss this week on this issue? What kind of remedies can he offer to these manufacturing businesses? Will he not agree that this attack goes beyond simply our softwood lumber exports? It is an attack on the manufacturing and semi-manufacturing industry in Canada.

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, we have already said that the decision is flawed in many different ways. It is peculiar in the sense that it would be the first time that a foreign jurisdiction has brought in a bonding requirement together with a preliminary decision on a countervail duty action. We have protested this measure at the highest levels. Certainly the fact that value-added products are captured with this duty is unacceptable. We have told the department of commerce that. We are appealing the decision. We have appealed the decision to GATT. A GATT panel has been established and will be ruling in June. As I said, we are very confident that at the end we will be vindicated.

• (1140)

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, when is the government going to realize that this is not a banana republic? We do not take orders from Washington, D.C. We run our forest policies our own way.

The Prime Minister was sabre rattling last weekend and in the last few days about how he is going to fight this decision. The cabinet was presumed to have met to review this matter. The minister did not tell the House anything new today in Question Period on this matter.

Can the minister tell this House what specific measures this government is going to take to protect our forest industry and to now protect our manufacturing industries that are suffering under this unwarranted attack from Washington, D.C.?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, all is not doom and gloom. Fortunately, because of a very significant turnaround in the economy in the United States, prices for the kind of products my friend is talking about have increased by 30 per cent since the beginning of the year. That gives us small comfort, of course, in the sense that the United States has imposed a 15 per cent duty on our lumber exports.

We are not sitting by and letting this happen. Cabinet has met. We have protested the measure at the highest levels. We have appealed the measures to two tribunals. It is a preliminary hearing and one ought not to be spending the time of the House to alarm everyone.

My hon. friend comes from Prince George. He knows that a lumber company usually sets up and manufactures where the trees are. They just do not pack up tomorrow because they cannot take the trees with them. We will have to keep our cool and rely on the orders and rules

that have been established under the free trade agreement and under GATT.

There is no doubt that we will be vindicated on both accounts.

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SEARCH AND RESCUE

Mrs. Coline Campbell (South West Nova): Madam Speaker, my question is for the Acting Prime Minister.

There is a lot of pubic concern about the possibility of the Yarmouth search and rescue helicopter being cancelled on March 31 of this year. Premier Cameron has said it was a top priority with him. I am wondering if the Acting Prime Minister knows whether the Prime Minister and Premier Cameron have had an opportunity to talk about such an important matter as it relates to search and rescue this week while at the conference?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, on behalf of the minister of fisheries who is responsible for this portfolio, as my hon. friend knows, the department had established a base at Yarmouth and built a hangar at the facility. The $2 million a year contract is near its expiry date. The matter is under review. It has, of course, safety implications and the involvement of other departments. A decision will be made shortly.

Mrs. Coline Campbell (South West Nova): Madam Speaker, I would just like to say the question was whether or not the premier had brought it up with the Prime Minister.

I hope the minister is telling the House that since we are in the middle of the month, the decision will be made immediately before the March 31 deadline when we have so much concern in the area about this. I do not see why a decision cannot be given today if it is so imminent.

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, the concerns in the area will of course influence the decision. It will be made very soon.

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FISHERIES

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, in the absence of the minister of fisheries, I direct my question to the Acting Prime Minister.

Last week the DFO Chief of Conservation and Protection said in relation to overfishing in the snow crab fishery that "the unfortunate part is we do not have the acceptable resources to monitor the fishing".

Therefore, will the minister commit the necessary resources to properly manage the fishery in Prince Edward Island?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, knowing the minister of fisheries, his answer would obviously be in the affirmative. I will pass the hon. member's concern on to him.

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, my supplementary is for the same minister.

Fishermen in my riding want access to a larger snow crab fishery. Why will the minister not eliminate the artificial zone differences in the gulf and allow more Island fishermen to participate in the snow crab fishery?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, one of the reasons there are no more licences for snow crab is because there are not enough snow crab for the number of fishermen who would like to get into that particular industry.

Nevertheless I will pass on the hon. member's question to the minister of fisheries.

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TRANSPORTATION

Mr. Stan Wilbee (Delta): Madam Speaker, my question today is for the Minister of Transport.

Yesterday there was a collision between a B.C. ferry and a bulk coal carrier out of Roberts Bank. This is the second collision by a B.C. ferry in the last five weeks. Many people are wondering what the problem is.

Can the minister assure us that there will be a careful examination and investigation of the causes of these collisions. Will they examine the structure of the ferries themselves? Is there some problem in the navigation equipment or is it in the operation?

Can he reassure the people in British Columbia, and those who are on the ferries, that everything will be done to prevent further collisions with injuries and loss of life, which fortunately did not occur on these two occasions?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, we have been informed of these two incidents. We regret very much their occurrences. As the member just mentioned, we were very fortunate that there was no loss of life.

The Transportation Safety Board is presently investigating these two incidents. The reason and purpose for their investigation is precisely to accomplish what the member is seeking.

* * *

PORT OF CHURCHILL

Mr. Rod Murphy (Churchill): Madam Speaker, my question is also for the Minister of Transport.

On March 6 of this year, Bernie Wiens, the provincial minister of transport from Saskatchewan wrote a very pro-Churchill letter to the minister. In that letter he proposed a meeting of those parties that are very essential to the operation of the port, including the Canada Wheat Board, CN, the port itself, the province of Manitoba, along with the federal government.

Would the Minister of Transport be willing to support such a meeting and make the arrangements to have it?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, as the hon. member knows, we have responded previously to a request for meetings from the various people involved in the port of Churchill. At the last meeting, we indicated that we were still examining the different components so that the port of Churchill could remain open if at all possible.

We have already indicated that next season the port will be operative. I can assure the member that as soon as we have the necessary information to move a step forward we will be happy to get this meeting organized.

Mr. Rod Murphy (Churchill): Madam Speaker, the minister is correct, there have been meetings. I am very happy that he had a meeting with myself and other representatives in favour of the port of Churchill.

At that time, we asked for a moratorium on false statements coming from government officials and others with regard to the port of Churchill.

In light of the grains and oilseeds minister's remarks last week that a Brazilian ship struck an iceberg in the Hudson Bay area and welders had to be sent up there and the Brazilians were no longer going to use the port of Churchill, will the Minister of Transport inform the minister of grains and oilseeds that the Canadian Coast Guard said: "There was no such incident. The only incident of that type was in the Gulf of St. Lawrence."

Can we ask the minister of grains and oilseeds to stop making false statements on Churchill?

* * *

IMMIGRATION

Mrs. Christine Stewart (Northumberland): Madam Speaker, notice has been given of this question and I understand the Associate Minister of Employment and Immigration will respond.

The Minister of Employment and Immigration has given an exclusion order to an Eritrean refugee claimant Mrs. Mebrahtu and her three children aged 10, 6 and 4. They are to appear at the Rainbow Bridge at 9.30 a.m. Monday, March 16, bags in hand to be escorted to God knows where. A dreadful history causes this family to be husbandless and fatherless. Now Canadian government action renders them homeless and hopeless.

• (1150)

Surely this government can show some compassion and on humanitarian grounds reverse its decision and grant this single mother and three small children refugee status in Canada.

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, I would first like to thank the hon. member for Northumberland for giving me prior notice of the question she wanted to ask.

I am sure that she will understand that I cannot comment on a particular case here in the House of Commons. I know that our colleague is familiar with the refugee determination process, which is generous and allows Canada to protect those who need our help.

That being said, the decision on the question before us was made by independent decision-makers, who applied the Geneva Convention. Of course for every decision, humanitarian considerations and criteria are evaluated, as they were in the case referred to us in this House. But unfortunately, this request was deemed not to comply with the terms of refugee status under the Geneva Convention, I am sorry to say.

[*English*]

Mrs. Christine Stewart (Northumberland): Madam Speaker, the Mebrahtu family has been in this country for over a year. The children have settled into school and some normalcy. Our inefficient system of refugee assessment has increased the trauma of their present flight.

If the government refuses once again to show compassion to Mrs. Mebrahtu, what advice will it give to this homeless, hopeless woman as she and her three small children walk across the Rainbow Bridge on Monday morning?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, it may be necessary to recall that the political situation in Ethiopia has improved and that of course decisions are always made in accordance with the Geneva Convention.

We should also remember in this House that the refugee determination system must not be considered a shortcut to immigrate to Canada. The decisions were made by independent officials and humanitarian considerations and criteria were also assessed.

* * *

[*English*]

BEEF INDUSTRY

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, my question is for the Minister of Agriculture.

The minister knows that there is a new beef grading system about to be introduced, including an ungraded standard. However, there are no requirements for retailers to indicate grade standards on beef at the meat counter.

The consumer and the Canadian Cattlemen's Association want and Canadian consumers deserve to know what they are buying. Why will the government not require and enforce grading standards to be signed and product to be labelled in the meat counter?

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, I recognize the desire of the hon. member and the groups he has mentioned. Unfortunately, he would be better to put that question to the Minister of Consumer and Corporate Affairs who has that responsibility.

SUBSIDIES

Mr. Maurice Foster (Algoma): Madam Speaker, press reports today indicate that the government has finally completed a study on U.S. subsidies, many of them hidden, to American agriculture producers. In only seven states they amount to $12.2 billion. It is interesting that the government has negotiated the FTA during the last six years and is now negotiating at the GATT.

I want to ask the Minister of Agriculture why the government has failed to have this critical information available on U.S. subsidies to agriculture producers for the GATT negotiations until the 11th hour. It was almost too late. Many thousands of farmers are depending on these negotiations for their very livelihood. Why has the government failed to have this information available for these critical negotiations.

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, the hon. member is mistaken that the government or the industry was not aware of the subsidies that had been identified in the report. The government was certainly aware of the federal U.S. subsidies identified in that report. The government was aware of some of the state subsidies in those seven states. The report identified additional subsidies or programs. I think it would be unfair to call all of them subsidies, but some are programs that assist agriculture in those seven states, some of which were not known to the government at that time. Much more work would have to be done to identify whether those programs are subsidies or legitimate programs, such as we use in Canada, to support agriculture.

* * *

HOUSING

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, my question is for the Acting Minister of Finance. Last December 17 the minister responsible for CMHC in a press release promised $6.1 million for the co-op housing program. His credibility certainly is ruined by the recent budget.

Is the minister aware that budget cuts which arbitrarily eliminated co-op housing mean that well over 6,000 families on waiting lists in Vancouver now have no hope of housing? What does he say to city councils and housing groups right across Canada that are outraged at this betrayal?

An hon. member: He doesn't care.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Madam Speaker, I will give the benefit of the doubt and assume that the member's true interests are really those people in need, the people that we are targeting our housing programs for.

There are over 650,000 people in need in the country who receive housing assistance. For the next five years we have allocated $2 million a year for social housing. This totals $10 million. That is not shabby treatment, considering we are in a serious restraint mode.

If your interests are in an organization, that is one thing. Our interest is in servicing the needs of the people who have targeted needs.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, that statement is outrageous. It shows that this acting minister knows nothing about co-op housing and the needs of people who need housing. I am ashamed of him.

In Vancouver, I would like to tell this member, the homelessness, the high rents and a whole influx of newcomers creates an excessive demand for affordable housing. I would like to say that part of the former Expo lands were promised for co-op and social housing creating in a mixed community, the best way to develop housing for those in need.

Will the minister explain how this much needed affordable housing can be built on Expo lands in Vancouver now that federal assistance has been wiped out for housing?

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Madam Speaker, federal assistance has not been wiped out. We continue to provide support for the 14,800 units of co-op housing now as well as the people who are currently living in 650,000 units of social housing.

We will be providing 28,000 new social housing units this year. It is our intention to help those in need, those who are targeted with a true need, not every program that wants housing.

EMPLOYMENT

Mr. Jim Peterson (Willowdale): Madam Speaker, I want to follow up a question asked the Acting Prime Minister by the member for Winnipeg South Centre. Softwoods are under siege right now by the Americans and we are losing jobs daily. A lot of those jobs are going south.

Will the Acting Prime Minister not act now and use the authority that he has under the Employment Support Act to protect these jobs? It is easier to keep them than to get them back after they have gone away.

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, as I said in a response to an earlier question, the industry of which my hon. friend speaks—he is probably not as familiar with it as I would be—usually works around the resource. You do not build a lumber mill or a manufacturing plant that depends on trees some place where there are not any trees. Therefore, the fear of everybody packing up to move to the United States is not well founded.

I told his hon. friend that we are dealing with this issue at the highest level; that we are dealing with a preliminary decision and that we are dealing with a process that will finish in July. The drastic measures that he is suggesting simply do not work in this particular situation.

Mr. Jim Peterson (Willowdale): Madam Speaker, you do not have to be an expert to know the headlines, "Jobs axed over U.S. duty", "Jobs heading south". We cannot wait for this process to begin next summer.

• (1200)

My supplementary question is the following. On Wednesday, when asked about the Honda dispute, the trade minister said: "Chapter 19 of the FTA is a binding dispute mechanism that is the final stage".

In the absence of the trade minister, may I ask the Acting Prime Minister to tell our trade minister two things. First of all, to read the free trade agreement and second, to ask him to recognize that chapter 19 does not deal with the Honda dispute. The minister may wish it would, but it does not under the deal that was cut with the Americans.

Point of Order

Hon. William C. Winegard (Minister for Science): The hon. member knows very well that Canada is doing everything it possibly can with respect to this Honda dispute. Every minister, every department of government, is making its opposition known to every position in the United States. We are quite convinced that on the Honda dispute, we are in the right and we will win. The Americans may not like that language of win/lose, but we use it because we are confident we will win this dispute.

* * *

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I appreciate your indulgence.

Yesterday we spoke in the House on the motion to extend functional jurisdiction for fishing to the nose and tail of the Grand Banks. The government's response essentially was: "We will continue to do more of the same with diplomatic action".

Madam Speaker, in response to this diplomatic action, I notice in the news this morning there was an indication that Mr. Randolph Gherson, who is Canada's ambassador for fisheries conservation, ended a diplomatic shuttle across Europe yesterday as we were in this House talking with few signs that the European Community will do anything to curb their overfishing. In particular, British and Danish officials said they needed more time. The Spanish and the Portuguese said that they were not ready to accept Canada's position.

Can I ask the Secretary of State for External Affairs what she now plans to do to stand by a people who are dependent on an industry that has been wounded and irretrievably crippled by foreigners?

Hon. Barbara McDougall (Secretary of State for External Affairs): Madam Speaker, as I pointed out yesterday in the debate in the House, one of the things that has happened as a result of this trip is that the scientific data which we have presented quite openly and with all the facts is fairly long and fairly complex.

When the Portuguese and the Spanish governments were presented with the data, even though the initial response was very unwelcoming, they were quite shaken by what they saw, but they do want time to examine it.

I consider this a positive development. I do not know how long it will take them to examine it. I will be discussing this with the European Commission again within the next two weeks. The fact that they have the data and are looking at it and taking it seriously is exactly what we want them to do right now. We want them to move on it quickly.

* * *

POINT OF ORDER

QUESTION PERIOD

Mr. Rod Murphy (Churchill): Madam Speaker, after I asked my second question in the House of the Minister of Transport, there was no answer.

I recognize that there is no requirement for the minister to answer a question, however, I would like permission of the House, if the minister is not willing to do it, to table the document from the Canadian Coast Guard which indicates that there was no Brazilian ship which encountered an iceberg in 1989, 1990, 1991. The minister of grains and oilseeds is obviously incorrect. The only Brazilian ship that had any damage as a result of icebergs was in the Gulf of St. Lawrence.

I wish to have unanimous consent of the House to table this document.

Madam Deputy Speaker: The hon. member wishes to table the document. Is there consent?

Mr. Andre: I have no problem with the tabling of the document. I regret that he was not interrupted from that bogus debate point that he got into the record, but he can now table the document obviously.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, on a similar point of order, the Minister of Transport earlier today offered to table a document. Can I get his assurance that it will in fact be tabled as he has promised during Question Period and as, of course, the Standing Orders require him today anyway?

[*Translation*]

HOUSE OF COMMONS

TABLING OF ESTIMATES

Madam Deputy Speaker: I have the honour to table the spending estimates of the House of Commons for the fiscal year ending March 31, 1993.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING OF APPOINTMENTS AND REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I would like to table, in both official languages, a number of Order in Council appointments which 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*]

PUBLIC ACCOUNTS

PRESENTATION OF FIFTH REPORT OF STANDING COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Public Accounts.

This report deals with the public accounts of Canada for 1990-91 and the three reservations expressed by the Auditor General on them. Pursuant to Standing Order 109, the committee asks the government to table a comprehensive response to this report. Madam Speaker, I will also give notice to have this report debated and adopted by the House.

* * *

ABORIGINAL AFFAIRS

PRESENTATION OF THIRD REPORT OF STANDING COMMITTEE

Hon. Alan Redway (Don Valley East): Madam Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Aboriginal Affairs. Pursuant to Standing Order 109, the committee asks the government to table a comprehensive response within 150 days.

[*English*]

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HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS

BROADCAST OF PROCEEDINGS OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I believe you will find unanimous consent for the following motion:

> That the Standing Committee on Human Rights and the Status of Disabled Persons be empowered to have televised and radio broadcasting of its meetings of Monday, March 30, 1992, according to the principles and practices governing the broadcasting of the House of Commons.
>
> That, notwithstanding the report of the Standing Committee on Elections, Privileges, Procedure and Private Members' Business concurred in by the House on October 20, 1989 a replay of the proceedings be permitted on Sunday, April 5, 1992 at 3 p.m.

Madam Deputy Speaker: Does the hon. the parliamentary secretary have unanimous consent of the House to present the motion?

Some hon. members: Agreed.

Madam Deputy Speaker: The House has heard the terms of the motion. The hon. member for Churchill.

Mr. Murphy: Madam Speaker, these motions have the support of the New Democratic Party.

Madam Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

Motion agreed to.

* * *

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I believe you will find unanimous consent for the following committee travel motion that was moved the other day but we did not get consent. I think we should today.

Routine Proceedings

That, notwithstanding the Order made on February 6, 1992, the Subcommittee on Arms Export of the Standing Committee on External Affairs and International Trade be authorized to travel to Victoria, Vancouver and Winnipeg from Monday, March 30 to Wednesday, April 1, 1992 and to Halifax and Montreal from Monday, April 6 to Tuesday, April 7, 1992.

Motion agreed to.

* * *

[*Translation*]

PETITIONS

GASOLINE PRICES

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I have the honour to present to the House today a petition signed by residents of my riding, Ottawa Centre, and surrounding areas in the Ottawa region.

These people ask Parliament to urge the government to correct the injustice caused by high gasoline prices in the Ottawa—Carleton region.

[*English*]

JUSTICE

Mr. Bruce Halliday (Oxford): Madam Speaker, I have the pleasure of presenting a petition signed by some 28 people from my constituency and also from London, who are in support of the parents of Nina de Villiers in deploring the apparent increase in crimes of violence, and calling for appropriate amendments to the Criminal Code of Canada, the Bail Reform Act and the Parole Act.

• (1210)

Mr. Maurice Foster (Algoma): Madam Speaker, I have the honour to present a petition signed by over 500 constituents of mine. These were gathered by Diane Lea of Elliot Lake and concern the Nina de Villiers case.

This petition calls on the government to take action to improve the bail and the other parole laws in this country, including sentencing and possession of firearms laws to ensure that we protect our society so that needless violent crimes like the murder of Nina de Villiers last summer will cease in this country and we will have a more safe and secure society.

TAXATION

Mr. Stan Wilbee (Delta): Madam Speaker, it is an honour to present under Standing Order 36 a petition containing over 1,000 names from many communities on the lower mainland. The petitioners are concerned about the inequality of taxation with regard to the family.

They are asking that Parliament amend the Income Tax Act so that child related benefits and deductions for child care are fair and equitable to all family structures based on financial need and irrespective of child care choice. I think they recognize that some of this has already been done but they are looking for further changes as well.

[*Translation*]

VIOLENT CRIME

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, pursuant to Standing Order 36, I have here petitions signed by many people in my riding concerning the murder of Nina de Villiers on August 9, 1991. This murder brought out serious deficiencies in the criminal justice system. For these reasons, the petitioners ask Parliament to recognize that violent crimes against persons are serious and abhorred by society and to amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

[*English*]

HUMAN RIGHTS

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, it is my privilege to stand here with a petition from residents of Canada who wish to present a grievance to this House with the hope that the government will be able to provide some remedial action. They say: "Whereas, as Canadians we are fortunate to live in a multicultural society and we are committed to traditional humanitarian principles and abhor human rights violations".

They are asking that Canadians join in commemoration this Sabbath of remembrance for our oppressed people, the Jews, particularly the 4,500 living in Syria, and who are denied all civil liberties. They have no voting rights. They cannot be candidates in elections. They are banned from government employment and, whereas Amnesty International has reported that there are Syrian Jews who have been imprisoned without

informing families and without defence or trial and that these people are beaten, tortured and sometimes murdered, Syrian Jews being denied the right to emigrate—

Madam Deputy Speaker: I do apologize for interrupting but the hon. member knows that no matter how good the cause is, presenting a petition should not turn into a speech. Please conclude.

Mrs. Finestone: Madam Speaker, I was reading what the petitioners had to say. I will terminate it there. I thank you for your guidance but these petitioners pray that on Shabbat Zachor that Parliament will call upon Syria to lift all these repressive restrictions and permit members of the Jewish community to emigrate freely in accordance with the United Nations' own human bill of rights, Article 13, to which Syria is a signatory.

CANADA POST

Mr. Rod Murphy (Churchill): Madam Speaker, I have the honour to present a petition on behalf of residents of the city of Winnipeg. This petition was collected through the work of Doug Martindale, one of the MLAs in the city. It is with regard to the Canada Post Corporation decision to close Empire Drugs at 801 Selkirk Avenue. This drugstore has provided convenient hours for residents, many of whom are of ethnic background, many of whom are seniors who do not speak English.

They have provided an excellent service to the people in that region. The petitioners humbly pray and call upon Parliament to do all within its mandate to gain reconsideration of the decision of Canada Post Corporation to discontinue postal services at this location.

HOUSING

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I would like to present two petitions on two issues.

The first petition is on behalf of many petitioners who humbly pray and call upon Parliament to recognize housing as a shared provincial-federal responsibility, to support the federal non-profit Co-operative Housing Program and to maintain the Canada Mortgage and Housing Corporation. They mainly live in my constituency on Burrows Avenue, Tyndall and Dickens Drive. They are concerned that the current constitutional proposals could transfer jurisdiction over housing to the provinces without compensation, including the responsibility for non-profit co-op housing which is a program that provides thousands of Canadian families with quality affordable shelter, and that the provinces would be unable to wholly support this program.

IMMIGRATION

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, the second petition relates to the recent government immigration directive.

The petitioners call upon Parliament to rescind this new directive, acknowledge the contribution of past, present and future foreign domestic workers to Canada's social and economic well-being, restore our Canadian values of tolerance and humanitarianism and preserve Canada's international esteem.

The petitioners are concerned that the new directive is insensitive to the needs of Canadian employers, callously disregards the needs of the women of the world and contradicts a fundamental principle of Canada's long-standing, non-discriminatory immigration policy.

SRI LANKA

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I am honoured to be able to present a petition from the people of Manitoba, many of whom are constituents, for the people of the north and east of Sri Lanka who live in fear and apprehension without any hope of peace because of an economic blockade placed by the Government of Sri Lanka. This blockade has led to severe shortages of food, medicine and fuel and only a fraction of the relief assistance is going to the affected population. The current policy of the Government of Sri Lanka is to find a military solution.

The petitioners ask the government to intervene to stop the flagrant violations of human rights and to ensure basic essentials such as food and medicine and fuel.

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I have two petitions. One is from a number of people in Newfoundland and Toronto. It concerns the low-level flights, mainly over Labrador. They ask this House to call upon the government to join with the Assembly of First Nations and the Inuit, Labrador and other aboriginal peoples of northern Canada in opposing the use of their lands for NATO-NORAD attack training and to redirect Canada's NATO-NORAD funding toward enabling Canada's aboriginal peoples to regain control of their

lands and of their livelihood and toward promoting sustainable development for all Canadians.

IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, my second petition is from a number of Canadians living in British Columbia and Cooper Creek, Argenta, Kaslo, Creston, and Salsbury Creek, Dartmouth, Nova Scotia, also in Ontario, Bond Head, Etobicoke, Scarborough. Eastminster, London, Watford, Willowdale, Richmond Hill, Barry and Mississauga.

The undersigned call upon Parliament to urge the minister of immigration to issue minister's permits for spouses and dependent children of refugee claimants who have been permitted to apply for landing from within Canada, including persons in the backlog and persons accepted under the new legislation, and to allow these people to be reunited in Canada for inland processing.

UKRAINE

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I have three petitions, all the same, from constituents in Edmonton Southeast with respect to Canada–Ukraine relations. They all petition the House to have full diplomatic relations with the government and the people of Ukraine immediately.

I appreciate, Madam Speaker, you are probably thinking that this has already happened and it has been somewhat superseded by events, but I would like to file the petitions nonetheless.

SMALL CRAFT HARBOURS

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, I am pleased to present a petition from a number of fishermen and others from Murray River, Montague and Sturgeon who depend upon the facilities provided by small craft harbours, and whereas these facilities are deteriorating or are in a condemned state, they call upon Parliament to urge the government to ensure that all necessary maintenance and repairs be made to all small craft harbour facilities in Prince Edward Island.

JUSTICE

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, it is my duty to present a petition signed by people from my riding in the Thorold, St. Catharines and Welland area with regard to criminal justice in this country. It seems that the risk to society posed by the early release of a violent offender is of secondary consideration to the rights of the individual criminal.

• (1220)

I think we are putting the cart before the horse. Many of the people in my vicinity are very much taken up with this. We feel that the justice system does not adequately reflect the views of the society in which we live.

SYRIA

Mr. Jim Peterson (Willowdale): Madam Speaker, I have a petition signed by hundreds of residents of Ontario asking that the Syrian government amend its ways, that it allow Syrian Jewry their fundamental rights under the UN Declaration on Human Rights for a right to emigrate.

UNEMPLOYMENT INSURANCE

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, I have petitions signed by residents of my riding and certified correct under Standing Order 36, wherein the petitioners show that the government had promised to freeze unemployment insurance premium rates for three years and state that the recent cumulative increases to UI premiums are unfair and insensitive to small businesses during difficult economic times, that contributions to the UI fund have been increased more than 50 per cent since 1989.

The petitioners humbly pray and call upon Parliament to request that the government immediately act to freeze unemployment insurance premium rates for both employers and employees for no less than one year.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I suggest that all questions stand.

[*English*]

Mr. Mifflin: Madam Speaker, on a point of order. I would like to raise the fact that I have a question on this week's Order Paper, No. 146. It dates back to October 28. As you are aware, I had planned initially to get up under the relevant Standing Order to request that I now get an answer. I did not put the 45-day caveat to the question but I would plead with my friend, the hon. parliamentary secretary to the House leader of the government. It does concern a program in 1990-91, the Atlantic Catch Failure Program. I want some figures.

I would humbly request that since it is now three times over the normal 45-day period, if I could have some consideration and perhaps this thing could be rushed along and I could get an answer in the foreseeable future.

Mr. Cooper: Madam Speaker, I apologize to the hon. member. I did not hear the number of his question.

Mr. Mifflin: It was No. 146.

Mr. Cooper: No. 146. I can advise him that there is work in progress on that. I should have an answer for him fairly soon. I certainly will do all in my power to speed that answer for him so that we can get the information he so rightly requests.

Madam Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—TRADE

The House resumed consideration of the motion of Mr. Blaikie (p. 8169).

Madam Deputy Speaker: There are eight minutes remaining for the hon. Minister of Science.

An hon. member: More.

Hon. William C. Winegard (Minister for Science): Madam Speaker, I am delighted with my colleague opposite. I thought he said "more". He wants to give me more time and I would be delighted to take it.

As we were finishing the morning, I was saying that the Canada-U.S. Free Trade Agreement, the negotiations with Mexico and the United States and the GATT negotiations in Geneva are all part of a strategy aimed at increasing our participation in global markets and making us more competitive and thus more prosperous.

This trade component of the government's program is matched by complementarity in domestic initiatives. Our efforts to reduce the deficit, to promote price stability, to lessen the regulatory burden, to privatize Crown corporations, to encourage retraining, to upgrade skills, to modernize industry and to increase value added components in the economy, all of these seek to make Canada a more rewarding place in which to invest. It is investment by private entrepreneurs, Canadian and foreign, that will create the jobs of the future; good jobs, paying jobs, jobs with a future. From the fur trade to free trade, trade has been the vocation of Canada.

Today, Canadians enjoy an unprecedented level of prosperity as a result of our historically strong trade performance. Our success in buying and selling on the world market has made us a major contributor to and beneficiary of the global economy. Exports have been one of the main engines of growth and job creation in the Canadian economy and imports have greatly enriched the quality of our lives.

Many of the products of our lakes, forests, fields and mines were developed for export to the markets of Europe, Asia and the United States. Canada's evolution from colony to nation was indelibly shaped by our experience as world traders.

The approach that worked then is not necessarily the approach that will work today. Just as industries need to adapt, so do governments. We must be informed by our past success, but not be shackled by it. The trading world of the sixties and the seventies, and it appears clear that the proposer of this resolution wants us to go back to those days, is not the trading world of today. Today we face, whether one likes it or not, a globalized trading economy.

Trade was the engine of growth. Now it is investment and technology. Canada can benefit from these new circumstances. We do not have to be afraid of them. We have many strengths. We are the seventh largest economy in the OECD. It was these changing economic circumstances which disposed us to take the road to free

trade at the beginning of our mandate. These circumstances have, if anything, become more compelling.

In 1985 we were seeing only the early signs of the phenomenon we dub now as globalization. Today the signs are unmistakable. We, like the Americans and the Japanese and indeed all other trading nations, are a part of that global economy. We cannot lift the drawbridge and ignore it. Our standard of living now depends on joining the global economy and winning.

There are direct challenges to Canada which can be summed up in a simple phrase. By the end of the decade, we must transform ourselves from a trading nation into a nation of traders. The FTA, the GATT negotiations, the trilateral negotiations, our prosperity initiative, the February budget, the learning initiatives, are all part of reaching that objective. No one doubts that we are a trading nation, but I think that we are not yet a nation of traders and surely that is where we have to head. Our trading culture remains yet too shallow. We still export too limited a range of products to too few markets. Not enough Canadians accept that international business is the key to future growth.

It is clear again that the proposers of this resolution simply do not accept that Canada must compete on a world scale, that every Canadian must have a stake in global competition and we will not achieve that by hiding from the world. We will not achieve that by withdrawing from the NAFTA negotiations. We will not achieve that by withdrawing from the free trade agreement. We will certainly not achieve it if we do not adapt. Trade is where our domestic economy meets the international economy and a successful export performance is a pretty good indication that we are able to be competitive at home and that the domestic economy is working.

Adjusting, becoming more competitive, is where the future lies. Our past record has been reasonable, but we have to do better. We have to improve our productivity. We have to keep prices stable. We have to accept and join with enthusiastically the ability to compete at home and abroad. We have to invest in the future and provide an economic climate for both Canadian and foreign investors alike.

• (1230)

That is why the government negotiated free trade with the United States. That is why we are negotiating a free trade agreement with the United States and Mexico. That is why we want to conclude a successful agreement at the NTM. That is why we want to reduce the deficit. That is why we want to keep inflation low. We want to reduce the heavy hand of government in the economy unlike the members opposite and the proposers of this resolution.

We believe if we do that the result will be a growing–stronger outward–looking economy that all Canadians can share in. I want to share in such an economy and I want to be part of the fight that takes us there and I want my children to reap the benefits.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I listened attentively to the speaker and there are a lot of things he said that we agree with on this side of the House.

We have always agreed to freer trade, more liberalized trade. In fact, 80 per cent of our trade in this country was free before we had this free trade agreement.

I want to refer him specifically to chapter 16 of the free trade agreement under article 1603 under performance requirements where it says:

> 1. Neither Party shall impose on an investor of the other Party, as a term or condition of permitting an investment in its territory, or in connection with the regulation of the conduct or operation of a business enterprise located in its territory, a requirement to:
>
> a) export a given level or percentage of goods and services;
>
> b) substitute goods or services from the territory of such Party for imported goods or services; and
>
> c) purchase of goods or services used by the investor in the territory of such Party or from suppliers located in such territory or accord a preference to goods or services produced in such a territory; or
>
> d) achieve a given level or percentage of domestic content.

Would the minister not agree that American multinational corporations with branch offices in Canada that have been doing an awful lot of research and development, a lot of manufacturing, have now because of the deep recession in the United States basically taken article 1603 of the free trade agreement and used it as an instrument for retrenching, practically eliminating R and D and manufacturing? Essentially there is no investment

requirement or there is no enticement for investment requirement in this country.

Under this law we have basically said to the head offices: "You can do what you want in this country". That, in my humble opinion, has led to one of the reasons that so many American corporations have pulled back and why we have so many people out of work, especially in central Ontario.

Mr. Winegard: Madam Speaker, this is somewhat typical of some of our colleagues in the House who really do not believe in free trade. They want to hedge things around because presumably they do not believe Canada competes either in terms of R and D tax credits or other matters.

It is very clear. I can give you all kinds of illustrations of companies that have not pulled back one bit and certainly not pulled back in Canada more than they have in the United States. I could talk about Pratt & Whitney, I could talk about IBM. They may be retrenching but they are not retrenching in Canada any more than they are in the United States.

People tend always when they talk about these issues to talk about the automobile industry. They focus on the automobile industry. That is an industry I know very well indeed, and that industry strangely enough is doing a little more now than it was some time ago. I think it is a disgrace in terms of the automotive industry research and development in this country. I have been saying so for 40 years and I will continue to say so. That does not mean it is doing less; in fact, it is doing a little more, infinitesimally more on an infinitesimally small base.

I think that blaming all the ills of this current recession on the free trade agreement has become a habit and not reality.

Hon. Pauline Browes (Minister of State (Environment)): Madam Speaker, I want to compliment the Minister for Science on his comments and, indeed, on his commitment here today, because as we discuss this important issue of trade, it is indeed crucial, as the hon. minister has mentioned, that Canadians become traders.

I want to just bring up a couple of examples and ask the minister about one in particular. There are three examples I want to mention.

Last week I visited a company in London, Ontario. The company is called Trojan Technologies. It specializes in ultraviolet disinfection, research, product development, design systems, marketing, manufacturing and service. What this company does is it actually has these ultraviolet rays that take the bacteria out of waste water.

That company has placed some 70 representatives in the United States and Canada to promote their technology. Up to 1991, it has sold or had in operation 500 municipal waste water ultraviolet disinfection systems in the United States, Canada, New Zealand and Australia.

Officials told me that the company's success has been directly related to the free trade agreement.

In Scarborough, CDA Industries has created 90 additional jobs because of the free trade agreement. This company is the largest design company in Canada designing display products. It designs in paper, wood, plastic, metal. A great success story.

The other company I would like to mention and have the minister comment on is a company that he himself visited in Scarborough, called Webcom Limited. It is of particular interest to me from the environmental point of view because it has a unique competitive edge.

That company's business is printing books, directories and catalogues, and two of the things it has done to make itself competitive is that it has used vegetable-based inks, which we certainly endorse, and it uses recycled paper. I understand it has about 200 employees in Canada right now, and because of the free trade agreement it has increased its sales and increased the number of employees.

I would like the minister to give us some indication of what he found when he visited Webcom in Scarborough.

Mr. Winegard: Madam Speaker, what I found was a very aggressive company using the best of technologies. It has looked at technologies around the world in terms of binding periodicals and journals. It has used that technology, modified it some, and it is now one of the leading companies in North America in this new binding process.

I also found that the company was very aggressive in terms of moving into the United States, and that the United States market was now making up a substantial portion of all of its production.

The company was extraordinarily pleased with the free trade agreement and the access that it gave to that market.

When talking to company officials, I said: "Obviously we have made the right move as far as your company is concerned. Is there anything else that we could do that would help you in terms of capitalizing on the technology and the sales approach that you have?"

They said that yes, they would like a little different arrangement in terms of capital cost allowance for equipment because they intended to stay number one in that business.

I have no doubt that when they saw the budget of a few weeks ago they were very pleased indeed that we had modified the capital cost allowance and the reduction in tax.

That is exactly what we have been trying to do and what I have been trying to emphasize in my speech today.

• (1240)

When my colleague the Minister of State for Environment took me to Webcom, she knew that I was going to see technology in action, free trade in action, listen to people in action.

That is exactly what this government is about. We believe if we do not do that, we will not be competitive. Our position is that we want to be competitive. That is why we have the free trade agreement. We are going to continue to push for freer trade anywhere in the world. We believe that Canadians can win.

Mr. Jim Peterson (Willowdale): Madam Speaker, the motion we face in this House today, put forward by the NDP is naive and simplistic at best. Its members would have us walk from the North American free trade agreement table. They would have us have no representation there, no observers, no possibility for protecting whatever best interests of Canada might lie at that table.

We all recognize that the benefits for Canada in entering into a free trade agreement with the Mexicans may not be very great, but at least we have to be there at the table to protect our interests. Such naivety. They would ask us to immediately cancel the free trade agreement.

The member for Winnipeg Transcona who proposed this, said: "We recognize there is going to be harm to Canadians. We recognize there is going to be harm but we choose to do that. We choose to get rid of the free trade agreement immediately".

But did he lay figures before this House showing what additional jobs we might lose if we were to immediately cancel out of the free trade agreement? Did he lay a study before us of the industries that would be further affected?

I do not stand here trying to make a brief for the government that this free trade agreement is working at all to our interests. I am going to come to some very specific details to show where it is adversely affecting certain jobs in Canada.

But to the NDP members who want to abrogate it, give us their studies to show that we will achieve greater benefits by cancelling now. That is an irresponsible approach. Until they are prepared to come forth with those studies we cannot give any credence to the blind faith without figures that they can make things better their way.

The other thing that bothers me about the approach of the socialist party members in this House is that they are tending to be totally simplistic in laying all of the blame for our economic perils today on free trade. We know that is not the case.

The Tories gave us a free trade deal which we asked them not to sign, which we opposed, not because it was free trade but because it was not giving us the level playing field we need.

Also, having given us free trade this government then instituted a multiplicity of other policies which have helped to drive jobs out of Canada.

The dollar went up about 25 per cent from when free trade was first postulated. This of course put a 25 per cent burden on our exporters which was a ball and chain and a far worse penalty than any of the American tariffs that the FTA removed.

They gave us interest rates which have been consistently significantly higher than American rates. Today Canadian rates are double those in the U.S.

There is another thing the NDP does not point out to us and is certainly part of the conclusion of our task force on deindustrialization and economic renewal. This is the testimony of businesses right across the province. Not only the high dollar, high interest and high tax policies of this Tory government but what was really throwing a cloud on the investment future of Ontario was the impending labour legislation proposed by the NDP government. Looking at the labour legislation, one witness said that none of the particular measures were particularly bad on their own but taken as a whole, business did not compete in Ontario with other Canadian jurisdictions or with the more likely aspect that they would move to the United States.

Therefore, as much as we want workers to have rights, opportunities and fairness, these things must all be looked at within the context of international competition and what we have to do as Canadians to create jobs.

Let us look at some of the other policies of this Tory government that are causing very severe difficulties. Cross-border shopping is symptomatic of giving us free trade and not having a level playing field for Canadians. Our task force discovered the biggest cause of cross-border shopping which is bleeding Canada out of anywhere from about $3 billion to $5 billion a year and is decimating border communities. From the Sarnia area and right into Montreal, cross-border shopping is just decimating many communities in Canada. Why? It is cheaper in many cases to shop in the United States because we have different fiscal regimes.

The biggest cause of cross-border shopping is the high cost in Canada of gasoline and diesel fuel. That is the single biggest draw. Did the government deal with that issue when it brought out measures three weeks ago? It did not even touch it. It did not deal with the root cause.

What did the government do instead? It said: "We will enter into a collection regime with the provinces. We will collect for them the PST, the province sales taxes, if they will buy into our scheme for the GST". In other words, if they will start taxing more things for the provincial revenue than they are presently taxing and if they will increase their taxes to the provinces then the government will collect. It is doing that in the midst of the triple dip recession in Canada. The provinces have not bit. They will not be blackmailed or cajoled into doing this.

What is another measure the government took to try to correct this cross-border shopping? It said: "What we will do, because cigarettes are smuggled into Canada from the United States, is impose a duty on cigarettes that leave Canada for the United States", a prepayment of the GST.

It might help some of the smuggling problem, but it is really driving jobs to the United States. Now the tobacco companies are finding that they cannot compete and their jobs are going to the United States. Canadians are not going to pay for the increased cost of Canadian cigarettes. They will be buying American cigarettes which do not have this tax imposed on them.

While it might have been a good effort to deal with some of the problems, it was naive. It was not worked out. It is not going to work. It is not going to solve the problem. It is just going to drive more jobs south of the border.

What else did the government do in terms of our mail order industry which was suffering greatly and losing jobs hand over fist *vis-à-vis* the Americans? The Americans imposed about a $10 Canadian charge on any Canadian mail order goods going into the United States. However, Canada did not impose this on the American goods coming into Canada.

What does our government do? It says: "We will go half way. We will retaliate but we will not charge American mail order companies $10. We will charge them only $5". How stupid. Why did the government not do the same things that the Americans did to us to give our mail order industry at least a level playing field?

I do not know where this government's head is. I do not know who it is listening to. It is obviously not consulting with the industry. Any child could tell the government: "Hey, that is not a level playing field you are creating. Don't pretend you have fixed it when you have not".

Another area where we have seen a great loss of jobs, at least 1,700, is in Canada's printing industry. Maybe the concept of free trade was there and over five years we would get rid of all the duties and tariffs. The printing industry was not against this necessarily, but since free trade it has 1,700 jobs.

• (1250)

Why? Because we do not have a level playing field and the government did not ensure that we did. It was not just tariffs. Now American authorities are imposing a multiplicity of specifications so that Canadian printers must put labels in various spots and big highlighting. Not only do they have a multiplicity of regulations, but they are differently enforced at different border crossings. We have an administration system which is not giving us that playing field.

Another thing that was totally naive was that the Americans know we have to put on our printed goods a big "Made in Canada" and are going to be turned away from it. Why? It is not because of the Canadian quality, but because they have had in place in the United States for many, many years a buy American program, which is a type of nationalism and chauvinism to help their own workers, which we have called for in Canada, but which this government has not brought forward.

In concept freer trade; in reality it just is not there because we do not have a level playing field. Naivety, ignorance, stupidity. The theory is right, but they did not do their homework. This is why we continue to lose jobs in this area.

Another area is manufacturing. In the whole manufacturing sector in Canada since the free trade came in we have lost 345,000 or 16 per cent of our manufacturing jobs.

How can we sustain a vibrant economy when we lose our best paying jobs? Is this all because of free trade? Don't get me wrong; the NDP would probably say it is but it is a multiplicity of issues. If we are given free trade, a higher dollar, higher interest, higher taxes, and impending labour legislation from a socialist government in Ontario, the jobs are not going to stay in Canada.

What did the government do to try to ensure that we had a level playing field before we went into it? Why did it tip the playing field against Canada with its higher interest rates? This is one of the tragedies. We have not bottomed out of this recession. The last reports showed that unemployment is going up. We went from 10.4 per cent last month to 10.6 per cent unemployment. Nowhere was this worse than in manufacturing, the key to the industrial heartland of Ontario and Canada. We lost 22,000 more manufacturing jobs in January.

Let us look at the auto industry. The Minister for Science said it was the fault of the auto industry that we are losing jobs, that it did not do enough R and D in Canada. If the government told that industry to do more R and D in Canada and made it a condition of being in Canada, it would do it. Otherwise it will do its R and D in Detroit and Tokyo. These other countries are not naive.

Let us look at our automotive industry and what has happened to it since free trade. We have lost 27,213 jobs or 21 per cent of our auto parts and assembly jobs in Canada in the three years since free trade. The government tells us that jobs are also being lost in the United States. Yes they are. The Americans have lost 9 per cent of their auto jobs in the past three years. We are losing jobs at two and one-third times the U.S. rate. Is that just because of free trade? No, it is a whole ball of wax that this government has given us in terms of its policy.

I would like to put before this House today some specific amendments to our trading relationships that I think could address the auto sector. First, under the free trade agreement we have a 50 per cent North American content rule. If we have 50 per cent North American content as defined, we will have duty free trade between Canada and the United States. I am going to propose that this is not enough. Canadian content will have to be increased, perhaps to the level of 60 or 75 per cent. In order to grant that privilege of free trade to others they will have to create a substantial number of jobs and give us significant North American content.

Second, under the free trade agreement we have wiped out the auto pact. The auto pact is very simple. It had a safeguard protection for Canadian jobs. It said: "If you want to produce a car outside Canada and bring it into Canada duty free, you have to produce one car in Canada or its equivalent". That was fair. That was from the auto pact. That was wiped out by the free trade agreement.

Under the free trade agreement, by the year 1998 when all duties are eliminated, the big three could pull every plant out of Canada. They would not have to buy

one Canadian part. They could ship their cars duty free into Canada without creating one single job here.

Is that what we want to see? We are seeing the evolution of that right now when we are losing auto jobs at two and one-third times the U.S. rate. We have to go back to some type of Canadian content.

I am advocating Canadian content of perhaps even 100 per cent. We are going to need a Canadian content that restores to us what the auto pact gave us. Any Canadian content rule that does not say: "You have to produce one car in Canada or its equivalent for every car you bring in duty free" is not giving us as Canadians our fair share of the job market.

People are going to say: "This is protectionism". Of course it is protectionism. Free trade is not what our competitors are doing. In the European Community they are debating today whether foreign producers will have 15 per cent or 17 per cent of the European Community's auto market by the year 2000. Will they let it get up that high? In Canada we are at 37 per cent foreign penetration right now. In return for that 37 per cent of our auto market those people are producing only 3 per cent of our jobs.

Is Japan a free trader? What is the percentage of its market occupied by foreign or non-Japanese producers? It is 3 per cent. It is 3 per cent in Japan, 15 to 17 per cent within eight years in the European Community, and in Canada today it is 37 per cent and rising. They are not free traders. Why should we be the only Boy Scouts on the block?

We need a dispute settlement mechanism that works. We do not have one today. Let us look at the Honda dispute. The engines are made in the United States for Honda and the United States says: "Hey, there is not enough North American content". The rules for specific determination of North American content under the FTA were not worked out at the table. They were so happy to get any deal they walked before they did the details. They did not even do the subsidies.

We are seeing what is happening now. We do not have a definition of content we can agree on. So what happens? The American customs authorities can slap a duty on us. Fine, but do we have an objective means of settling this dispute under the vaunted free trade settlement dispute mechanism? Is there a way to do it fairly and in accordance with the principles of law? No.

The only right we have is under chapter 18 of the free trade agreement that says we must consult with them. We are consulting right now. If we cannot agree after we have consulted then we can strike a panel to arbitrate it, but that panel's decision cannot be binding on the United States unless the United States says it will be binding. How stupid. Why would the United States agree that the decision should be binding when its customs officials and its administration have already decided in favour of the United States. That is the position we are in and do not pretend that free trade agreement gives us one right we did not have before in terms of this Honda dispute. What is such a shame is that we have production in Canada to the North American market. The Honda syndrome can be applied to every other Canadian producer for the North American market and for the U.S. market. The chill that it will put on further exports from Canada and on further investment in Canada producing for the U.S. market is enormous. If you were going to make the decision as a North American corporation to establish in Canada or in the United States, why would you choose Canada, when because of the Honda type decision and the inadequacies of the free trade agreement, nine-tenths of your market, i.e., the United States, can be shut off?

• (1300)

I am coming quickly to a conclusion. There is so much that is wrong with this agreement, the free trade agreement, because it was not thought out. It does not give Canada a level playing field. It has not given our producers and our jobs a fair chance. I have touched on just perhaps three of the industries in which this has not been the case.

Let us renegotiate. Let us get a fair deal for Canadians.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, when the hon. member started speaking and agreed that a trade agreement, the North American free trade agreement, was a good idea, I thought that we might hear a sensible speech today. But I was wondering, when he got into the mathematics of the Canadian dollar, how he figured it. It was new math to me. In any event, the Canadian dollar was trading at about 84 cents to the American dollar in December 1988, and now it is 83.5 cents to the American dollar. I just wondered what kind of new math that was, where he said the Canadian

dollar lost 25 per cent of its value against the American dollar.

Then he went on from there into the auto pact. You know, when he said we produce two cars for every one we consume here, as far as the Americans are concerned, he really lost me. Then when we had the General Motors matter, where they are closing plants in the United States—and, sure, they closed a plant in Canada, but they closed a lot more plants in the United States—I got confused.

Then he went on even further and got into horrible matters concerning the establishment of plants and businesses in Canada. I looked at the exports of Canadian goods into the United States, and in 1988 there was $102.6 billion and then it was $107 billion in 1991. The difference between our favourable balance continued to rise. We find now that our favourable balance is $15.1 billion, when it was only $14 billion in 1988. This is a bad year because our trade on both sides has dropped.

I wonder just where he is getting off. I mean, he must have some sort of idea that we are not capable of running a country. I think he must be reading either the new dinosaurs' material or Mr. Hurtig's material, or doing his research somewhere that has no relevance to what is in fact taking place.

We have a problem in Ontario, and he is right. It was his brother who was premier of a province that spent and increased taxes, and borrowed money in foreign markets and increased the value of the Canadian dollar until he was defeated and his province taken over by the real big spenders, the New Democrats. It was his brother's government that created a growth in the province of Ontario that was unsustainable. That is really why the province of Ontario is suffering and suffering very badly today in this recession, far worse than other places in the world. But let him know there is a world recession, and it is worse in Ontario because of the leadership offered by the government headed by his brother and by the current premier of Ontario, who seems to have no sense at all.

Mr. Peterson: Mr. Speaker, I have never had to defend my brother because he has always been superbly capable of doing it himself.

One has to wonder where the Prime Minister finds his judgment on so many matters that are of such vital importance to the future of Canada. Needless to say, I am very proud of my brother and I think his record will stand up very well.

Now let me respond very directly to the three points raised by my friend. I do not think he knows what he is talking about because when he reads *Hansard* he will find out, as he said, that the Canadian dollar had not lost 25 per cent during his period. Rather the dollar went up 25 per cent *vis-à-vis* the Americans.

What I said in my speech is as follows. In 1986, when this deal was first announced and being worked out, the dollar was at about 75 to 76 cents U.S. It went as high as 90 cents. In other words, it had appreciated over 25 per cent during the period that this deindustrialization started and had put that anchor around the necks of Canadians. That is all I said. Well, thank God the dollar is coming down. They finally started to listen to us.

The interest rates are coming down and the dollar is coming down, and why they have increased the interest rates five out of the last six weeks in Canada is beyond me. Do we not want a lower dollar to create jobs here? Members from the other side of the House are calling for it, and that member over there has too. So when he said the dollar has lost 25 per cent, he is wrong. The dollar went up more than 25 per cent. I hope he gets his mathematics straight.

Then he said General Motors shut down some plants in Canada but they also shut them down in the United States, why should we worry? Look at the figures in the last three years. Canadian auto jobs in parts and assembly have been lost at two and one-third times the rate in the U.S. We know there has been a recession. We know there is rationalization going on, but why should Canada lose jobs more quickly than the United States. That is not what we are about.

Then he talked about the vaunted trade figures. When this government across the way took office in 1984, Canada had a current account surplus of some $20 billion. Today we are in deficit. In the last quarter of last year we had an $8.1 billion current account deficit, which is a record in the history of Canada, and it surpassed even the previous record of $7.5 billion in the quarter preceding that.

If this is the vaunted economic performance of this government on the international playing field, then my goodness they are wearing blinders and blinkers. Canadians just do not believe you, sirs, on the other side when you tell us you are doing well and that you have been good stewards of Canada's future.

Unemployment in Canada went up to 10.6 per cent. Unemployment in the United States is at 7.1 per cent. That is who we are competing with, and what are you doing to help us get those jobs back? You are naive and you have not given us a level playing field. Please start looking at individual industries. How can you work with them to make sure they have equal opportunities that our American counterparts do to get jobs? Do not give us another of these pigs in a poke like you gave us, that it was not properly negotiated. They cannot even give us binding dispute of the Honda issue. We need binding settlement of that but we cannot get it.

I wish one of those people across there would show us how we can get any resolution of the Honda dispute without the ministers going to Washington on bended knee and prostrating themselves, asking for a favour of the United States government. That is the only way they are going to get it.

An hon. member: That is a great negotiating position.

Mr. Peterson: That has put us in a position here in Canada that I as a Canadian am not proud to be in, and this is why changes have to be made.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker I do, indeed, thank you.

• (1310)

I have heard the saying that the sins of the father are sometimes visited upon the son. But we have an extension here today from the hon. member for Mississauga South who wants to visit whatever sins there might be, either real or perceived, from one brother to another. I do not know how long they are going to go on on this particular tack.

The member for Mississauga South says: "Some people would think we are not capable of running a country." Well, I would like to have on record now that I am one of those who believes that this government has not been capable, is not capable, and will not be capable of running Canada. All you have to do is look at their track record.

The hon. member for Mississauga South said that he was a little bit confused at what the member from Willowdale was saying. Contrary to that, I am not confused at all, but I would like the hon. member from Willowdale to make one further comment.

The member mentioned the auto industry.

[*Translation*]

Mr. Plourde: Mr. Speaker, on a point of order. I think that the time for questions and comments is over and we must now move on to debate.

The Acting Speaker (Mr. Koury): Two seconds.

[*English*]

Mr. Parent: I will take up the 42 seconds, if you do not mind, and the 42 seconds will be in the form of a question, which is specifically this. If we indeed were sold down the river with this free trade deal, I would like your comments, Mr. Member, through you, Mr. Speaker—

The Acting Speaker (Mr. Koury): Your time is over, thank you.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I am very pleased to have the opportunity to speak in support of the motion that we are debating today, the motion from the hon. member for Winnipeg Transcona:

> That, in the opinion of this House, Canada should withdraw from the negotiations concerning a North American free trade agreement, give notice of withdrawal from the Canada-U.S. Free Trade Agreement, and pursue a global trade strategy not based on making the planet an unfettered playground for the multinational corporate elite.

Mr. Boudria: What does that mean precisely?

Mr. Heap: Well, if the hon. member would allow me to proceed I will explain.

There have been plenty of reports, including even the speech of the last speaker from the Liberal Party, that have pointed out the failures of the free trade agreement and the likely failures of the North American free trade agreement. There have been plenty of reports that have shown that the only beneficiaries of it, the only reliable beneficiaries, are the multinational corporations.

I do not intend to rehearse all those arguments because there are some other points that should be made in this debate concerning the alternative possibilities. I will come to them a little bit farther along, but I want to give simply one of the major reasons for not renegotiating but abrogating the free trade agreement.

The free trade agreement places Canadian law subordinate to American law. That is to say, according to the free trade agreement in title I, section 102, Relationship of the Agreement to United States Law, page 1853 states:

> (a) *United States Laws to Prevail In Conflict*—No provision of the Agreement, nor the application of any such provision to any person or circumstances, which is in conflict with any law of the United States shall have effect.

Fair enough, if that is going to be a two-way street, but it is not. The agreement elsewhere in volume 2, schedule part A, article 103, Extent of Obligation on page 2 states:

> The Parties to this Agreement shall ensure that all necessary measures are taken in order to give effect to its provisions including their observance, except as otherwise provided in this Agreement by state, provincial and local governments.

In other words, American laws are totally protected from being reduced or set aside or hindered by the agreement. Canadian laws have no such protection in the agreement. It is a monstrous trick to subordinate Canada to the White House and to the American corporations. That is the reason why our party, at its convention last year, adopted the necessity of abrogating the free trade agreement and why that is the position that our party leader has consistently upheld.

Since a well-known supporter of the free trade agreement, Diane Francis, purported to report Audrey McLaughlin otherwise, she has written a letter to the *Financial Post* on December 3 as follows:

> Dear Editor:
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> In your October 26th edition, you published extracts from a lengthy and wide-ranging interview between myself and Diane Francis. On page 1 of the same issue, Ms. Francis draws some conclusions, among them that the New Democrats have softened their position on the free trade agreement. This conclusion is not accurate. Our party continues to oppose the deal and maintains the position that it ought to be abrogated. A New Democratic Party government would use the six-month provisions contained in the agreement to notify the United States of our intention to cancel the deal.

That is the position of our party, as restated before then and since then many times by our leader, by our spokesman on international trade and by other members of this party. Since the government is hard-hearted on it and the Liberal Party waffles on it, I want to look at two of the reasons given for entering and maintaining the free trade agreement in order to dispose of them.

One of the reasons given is that it will help the poor Mexican workers. The Prime Minister loves to get up with flippant sarcasm and and say "Why are Canadians objecting to losing jobs? Don't you want to help the poor Mexicans?". It is well known that the Prime Minister does not give two hoots for the situation of jobless Canadians, therefore there is no reason to suppose that he has the slightest interest in helping jobless Americans or under-employed Americans or jobless Mexicans either or the under-employed ones.

The fact is that there is plenty of evidence to show that the total policies of the American and Canadian banks, the American and Canadian corporations and the American and Canadian governments are not increasing the employment opportunities and the pay opportunities for Mexicans, they are decreasing them. I quote from a paper done last year by Jorge Calderone Salazar on "Free Trade Agreement: Democracy and National Sovereignty in Mexico". This is what he says is needed. I will not cover the whole paper.

> Serious negotiations on foreign debt should begin immediately, particularly with regard to the debt to the U.S. and Canadian banks in accordance with a proposal to reduce substantially the interest rate and the principle.

His position is that none of this trade deal will benefit Mexico so long as it has to pay out more than it takes in on the debt. He goes on to say:

> Recent experience shows that it is perfectly feasible for Mexico to negotiate a framework agreement with the United States and Canada, similar to the one signed by Mexico with the European Economic Community on April 26, 1991. This is a road that needs to be explored in order to arrive at within a few years the formulation of a policy that is beneficial to the people of Mexico.

We have heard the judgment of Senator Calderone and many others, as well as ours, that the free trade agreement is not intended to help Mexican workers or campesina. It will not and in fact it cannot.

The second argument, of course, which is more popularly used is that Canada is too weak to stand alone against the United States. We have a population of only 26 million or so and they have 10 times as many. They have 100 times as much money and so people like the hon. minister who led off this morning for the government side are saying in effect that whatever the United States wants will inevitably happen, so if we cannot lick them, we had better join them.

That is the attitude of the banks, the large corporations of Canada and the government which they control through the Business Council on National Issues. They decided to join the American corporations in exploiting all the peoples of Canada, the United States and Mexico and, of course, intending to go beyond that. It is the Mexican workers and campesinos who are making known that they want allies against the kind of thing that the North American free trade agreement represents.

• (1320)

My point is that Canadians, who now in the majority oppose the free trade agreement according to the polls, are not alone in this matter. We are no longer isolated up in the frozen north. As has been acknowledged across the way, we have fax machines, we have jet planes, we communicate with the 380 million strong nationals south of American border and in the Caribbean.

A year ago when I went to the state of Morelos to observe their strange election practice of not allowing secret voting, I also met with some trade unionists in Mexico. The burden of their remarks to me was that we need an international bill of rights for labour.

Mr. Speaker, I see you are signalling to me a time limit. Can you tell me how much more time I have?

The Acting Speaker (Mr. Koury): One minute.

Mr. Heap: I thought we had 20 minutes to speak.

The Acting Speaker (Mr. Koury): Yes, you have 20 minutes.

Mr. Heap: As I was saying, they are asking for the kind of international labour rights that have been written into the agreement in the European Community but are absolutely rejected by the President of the United States, the President of Mexico and Prime Minister Mulroney of Canada as part of the agreement. We are told: "You will come along and get those later, maybe".

In October the New Democratic Party sent me to Zacatecus to a meeting that was concurrent with the meeting of the trade ministers. It was a meeting of the Action Canada network, the counterpart networks from the United States, from Mexico, and a number of other political, academic and labour figures from Mexico.

At that meeting we adopted guidelines for a three nation movement for a citizens' alternative development program. I will mention a few of the points on which we agreed; that we should cancel or reduce Mexico's $100 billion debt to foreign banks; that we should cancel the free trade agreement between Canada and the United States; that we should equalize people's conditions across the three countries in work: wages, safety and democratic unions; in the community living conditions; health and education for migrant workers, equal rights with other workers. We should establish equality of women with men across the three countries. Each country should control its own culture, education, communication system and so on.

I will not take the time to list all of the matters on which we agreed. My point is that they are looking for allies among Canadians and they are finding them.

Two weeks ago I attended a meeting in Peru, sent by the NDP, a meeting of the Sao Paolo Forum, a group of Latin American and Caribbean parties that oppose U.S trade domination. They invited the NDP and the NDP sent me. I do not know whether they invited the Liberals. The Liberals were invited to the meeting I attended in Zacatecus but they did not send anyone. I did not see any Liberals at the meeting in Lima but I cannot say whether they were invited.

The people who invited me asked me to describe the deceptions used by the Prime Minister and this government to hoodwink the Canadian people into returning the government of the free trade agreement in the last election. They asked me to outline the damage done by the free trade agreement in the last three years which I did.

They want Canadians as allies in their struggles with the United States. They want our experience of free

trade, our knowledge of the United States. They want our trade and they want our voice in international affairs.

My point is that we are not alone. Not only the Latin Americans, including the Mexicans, but in the United States a growing group is advocating opposition to the free trade agreement. The AFL–CIO has registered its view. Many specific unions and locals have, church groups have, academic figures have. There is also a mounting campaign there to have a publicly administered and a publicly funded health insurance scheme like the Canadian one, which the free trade advocates would like to destroy by giving American corporations the right to manage Canadian hospitals and other institutions.

Besides that we have allies in Canada. The position of the Canadian Labour Congress is quite clear in opposition to the free trade agreement. We have research groups such as the Latin American Working Group and the Ecumenical Coalition for Economic Justice, which used to be called GATT–fly, which for many years have been exploring relationships with the Mexicans in preparation for the kind of bad deal that has been foisted upon us.

We have the churches, many of whose Canadian leaders, especially Roman Catholic ones, have spoken against the trade deal. I want to quote John Paul II, not on the trade deal of course, on which he has not spoken to my knowledge, but on a basic principle that was appealed to by the member for Winnipeg Transcona. The Pope said: "What is the origin of all the evils to which *Rerum Novarum* wished to respond, if not a kind of freedom, which in the economic and social activity cuts itself off from the truth about man". In other words, what the Pope has been teaching, as his predecessors did, is that unbridled market relationships without any regard for the need of people as individual persons is contrary to his teaching.

As one who does not regard the Pope as infallible, I would say that this and many other things that he has said are well worth listening to, including his encyclical *Centesimal Anno*.

I want to point out that there are proposals circulating in Canada, some of them endorsed by the NDP already and others under study, for an alternative version, an alternative policy, for example, on investment which would mean that the rights of people are to assert sovereignty over their economies, to choose their own development priorities, reject the principle of national treatment for foreign investors and instead assert the right of sovereign states to enforce regulations governing the activities of transnational corporations. It goes on to detail them further.

It has an alternative policy on services, for developing service industries which would rule out national treatment and the right of establishment for foreign investors. Instead it will allow sovereign peoples to set rules governing which services could be provided by TNCs and which services would be allocated to domestic firms. This has been circulated for a year by the Ecumenical Coalition for Economic Justice and is being studied widely.

It continues:

> An alternative policy for intellectual property such as drug patents.
>
> An alternative view of intellectual property rights treats patents and copyrights as privileges rather than absolute rights. A development centred policy on intellectual property rights would recognize the sovereign right of countries to establish their own patent and copyright systems to enforce generic drug laws, to adapt technology to uses as appropriate to their stage of development, to exclude inappropriate technology from their borders and to resist pressures for global harmonization of patent laws in TNC interests.

Finally I want to mention their comments on agriculture.

> An alternative approach to agriculture would begin with a recognition of people's right to basic food self–reliance. Countries have the right to protect themselves from the dumping of food commodities on to world markets at prices that are below the cost of production.
>
> It is crucial to distinguish between subsidies that systematically encourage over–production and export dumping and subsidies designed to encourage food self–reliance, ecologically sound agricultural practices and other legitimate development objectives.

• (1330)

In conclusion, I want to say that there are alternative programs and policies being worked out not only by the NDP but by many groups across Canada who oppose the free trade agreement and the North American free trade agreement.

If we had been given fuller information by the government during the negotiations of both those agreements, if we had been given the information reports that the government swore to give to us, year by year, about the progress, we would be better able to mount those studies now. But because of the secrecy in which this government conducts its policies, refusing even to let Parliament know what is being resolved in our names, the work

has been slow, but it is progressing and it is getting wider and wider circulation.

I also wish to refer to a document that is being worked on by a group within my own constituency in which they want to mount a public statement around five points:

1. Cancel the free trade deal—and they give detail on that.

2. Let us put Canadians to work now.

3. Fair taxes will give us the money we need.

4. Strengthen our social services.

5. Canadians need a say in developing our economy nationally and locally.

So in reiteration I want to quote again the motion of the hon. member for Winnipeg Transcona:

> That, in the opinion of this House, Canada should withdraw from the negotiations concerning a North American free trade agreement, give notice of withdrawal from the Canada–U.S. Free Trade Agreement, and pursue a global strategy not based on making the planet an unfettered playground for the multinational corporate elite.

In short, Mr. Speaker, dump the deal.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I am quite interested in the member's speech. I am pleased that he was down in Mexico while negotiations were taking place on the free trade agreement.

Bearing in mind that the Government of Mexico is pressing this agreement with the United States and is prepared to negotiate with the United States alone, is it his view that Canada should not be at the table, that Canada should let the Americans and the Mexicans negotiate their own free trade agreement, and that we should not be anywhere close to the Mexicans? Should we not be there advising the Mexicans as to what they might want to look out for if they are making a deal with the Americans? Would he not think that we ought to extend our good offices and our assistance to the Mexicans?

Is it his policy and the policy of his party that we should just walk away from the table on the North American free trade agreement that is presently being negotiated with the Mexicans and not do anything?

That is my first question. My second question is, bearing in mind that we are quite proud of our medicare system, does he not think that by being in a trade agreement with the Americans and doing a great deal of business with them, increasing trade every year, a very substantial increased volume since 1988, that we influence American politics to some extent? As he pointed out, even some of the American unions are trying to stop our free trade agreement with the United States, that that agreement is not persuading Americans to perhaps have public medicare themselves? Does he not think that trade is an influential way that we can extend the good offices of Canada to the rest of the world?

Mr. Heap: Mr. Speaker, the hon. member as usual misrepresents what I am saying by suggesting that I am against trade. What the NDP opposes is not trade but we oppose putting all our eggs in one basket and giving the key to it to the President of the United States.

We can offer advice to the Mexicans. I have been doing it and the Prime Minister has been doing it. Some of my advice was more truthful than his, when he went down there and told them that the free trade agreement created 250,000 new jobs in the first year in Canada.

We can continue to offer advice, but I do not want Canada to cede some more of our sovereignty, especially to a government that is as illegitimate as the government of President Salinas. He only gained the presidency by corrupting the last election in such an extraordinary way that even the Organization of American States objected to it. They simply stopped the counting when they found that the opposition party was ahead, and a week later they produced figures to show that Salinas was ahead. I do not want Canada subordinate to an agreement with that kind of dictatorial ruler, who sends the police out to smash trade unions and to assassinate academics or church people who oppose him.

I do not want Canada sitting in those meetings, because our Prime Minister has shown that he has a great weakness for giving the Americans anything they

ask for. American Express wanted greater banking rights in Canada than the banks have; he gave it to them. What he got for it in return, I do not know. What he got for Canada, he has never told us. So I do not want that kind of weak-kneed giveaway being carried on in the free trade negotiations with the U.S. and Mexico.

As to increasing trade with the U.S., no. We have too many eggs in that basket already. I want us to increase trade with the Latin American countries, with the Caribbean. According to today's report, the GATT authority has said that the North American free trade agreement will hinder trade to the disadvantage of Caribbean and Latin American countries. They will be losers as a result of the North American free trade agreement. Though we have not had a chance to read the full report, I think they might well be right in that perception. It certainly is the perception of the people that I met in Lima two weeks ago. I would say we have to do our best to make GATT a more democratic organization than it is and the United Nations a more democratic organization than it is, rather than being so cowardly as just to throw our lot in with the guy who used to be the head of the CIA, President Bush.

Mr. Dennis Mills (Broadview—Greenwood): I listened carefully to the member from Spadina speak, and he started off by saying he would cancel the free trade agreement, but then he went on to put forward a list of alternative approaches to the United States, which would presumably be much more beneficial to Canada's agenda.

Some of the proposals he is putting forward sound quite reasonable, and with a strong negotiator, I think a lot of those proposals would be attainable. Does he not think it would be a much more constructive or a less disruptive process to first try to advance his amendments, his constructive alternatives, and see if he can sell them? What if he did? What if he could make those amendments that he just cited today to the free trade agreement? What if, through a proper explanation and a strong leadership, a future president accepted those conditions?

I, for example, have never felt comfortable with the area of the free trade agreement related to water. I have always wanted a one page special protocol letter saying water is exempt from this deal. Make no mistake about it, it should be a separate negotiation.

We have never tried because we have a Prime Minister, basically, who has gone along with most of what the Americans want. But we may be blessed with a leader eventually that will say: "Hey, if you want to keep this in place, here is what we need." Would that not be a more constructive way to go?

Mr. Heap: I thank the hon. member for a very relevant question. He did, however, miss part of what I said. The President of the United States and the President of Mexico and the present Prime Minister of Canada have already publicly refused, a year ago, to consider any labour or environmental matters in the free trade agreement. They have rejected the very concept of having any such things in. They have gone so far along with the agreement that the only way we can preserve the possibility of what the member has suggested is by withdrawing from the agreement now.

• (1340)

Second, and again I made this point clear in my speech, what I want is that we should negotiate these things with all countries, not trying, as the Prime Minister once rightly perceived, as a mouse to negotiate with the elephant. Before he was converted to free trade he said it would be like the mouse sleeping with the elephant. He was right then and wrong ever since.

We should be negotiating with all the countries of this hemisphere, and we have the possibility of doing that. They want us to. They have asked us to. We should be negotiating with the whole hemisphere, and that would give us the clout necessary to get the United States to come to reason or else to elect a president who would come to reason.

[*Translation*]

Mr. André Plourde (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, the opposition motion seems to be an overreaction to the problems that Canada is having in its trade relations with the United States. Unfortunately, it takes no account of all the positive aspects in Canada–U.S. relations.

Mr. Speaker, it is true that last week was not easy. We would be lying if we did not admit that we were

disappointed by Washington's decision on Honda and softwood lumber. We are very disappointed, in fact. We do not believe that these decisions are justified, but we are convinced that we will win in the end, as we did with pork. The stakes were considerable then. It took time, but the facts proved us right. That is why the government is convinced that the policy adopted seven years ago was right and that it remains just as valid today.

For those of you who might have forgotten, let me remind you of the reasons. From the outset, we had three objectives in our negotiations with the United States.

First, we wanted to improve access to the American market for our products and services. We wanted to encourage Canadian producers to break out of the straitjacket imposed by the small domestic market, to retool and to take on the world market. The American market was not an end in itself but a starting point for a greater presence on world markets. We accepted the fact that increased American competition on our own market would encourage Canadians to discipline themselves and to restructure in order to face world competition.

Second, we wanted secure access to the U.S. market. We wanted to be able to give as much assurance as possible to Canadian entrepreneurs who decided to enter the American market that they would not be the victims of arbitrary, ill-considered decisions. We wanted our economic and trade relations with the United States to be protected by rules agreed upon by both parties and uniformly applied.

Finally, we wanted to entrench this improved secure access in a legal framework, with institutional provisions and dispute settlement mechanisms that would go a long way to making us equal partners, governed by rules and procedures accepted by both parties.

Noble words, grandiose objectives. Have they been achieved, Mr. Speaker? On the whole, yes. That is the conclusion which the government came to in 1987 and which it maintains today.

It is not naive but realistic. The international agreements have to do with improvements and compromises that were carefully negotiated. Only one criterion applied: Would the agreement be a tangible improvement over the previous status quo? Based on this criterion, the government concluded in 1987 that the agreement negotiated was a marked improvement over the status quo.

Furthermore, the Canadian people agreed with us in the 1988 election. None of the events in the last three and a half years have changed this assessment—not the verification of Honda cars nor softwood lumber, beer or magnesium. Are we indifferent to the difficulties experienced by Canada's auto workers, forestry workers, miners and brewers? Certainly not, Mr. Speaker. Each of these instances is very disturbing, and we have always used all available resources and taken every opportunity to defend our interests and to help people in difficult situations. We will continue our efforts in this respect, and we will do so, with all the energy we have and all the recourse at our disposal.

The Prime Minister said this quite clearly to President Bush. The external affairs minister sent the same message to James Baker, as the trade minister did to Carla Hills and Barbara Franklin.

However, these disputes should be put into context, Mr. Speaker. Bilateral trade between Canada and the United States is now estimated at $256 billion. This represents three-quarters of our exports and two-thirds of our imports. About two million Canadians are directly dependent on this trade for their living, and millions more enjoy indirect benefits.

During the past 10 years, trade between Canada and the United States has gradually increased. In 1985, when Canadians started giving serious consideration to free trade, goods and services worth approximately $200 billion crossed the border. Since then, this type of trade has increased at an Baverage annual rate of 4 per cent. The rate may have been lower last year, Mr. Speaker, when the recession struck both economies, but trade should pick up as we come out of this recession. How do we know? It is what the statistics on investment in recent years tell us.

In fact, trade agreements are not only about current trade but about future investment. The purpose is to stimulate investment that will provide for sustained growth. In this respect, the free trade agreement remains a resounding success.

From 1986 to 1989, in other words, between the time the business community first acknowledged that Canadian-American economic relations were about to enter a new era, and the actual implementation of the agree-

ment, capital spending by businesses increased by an annual average of nearly 12 per cent. The recession put a brake on capital spending, which nevertheless totalled $80.2 billion in 1990 and $75.2 billion in 1991, and is expected to be around $74.1 billion in 1992. This kind of investment paves the way for a period of dynamic two-way trade and production activity that will be characteristic of the remainder of the 90s.

However, even today, as we gradually come out of the recession, there are encouraging signals. In 1991, there was a 3 per cent increase in the use of marketing services, an area of international trade that is experiencing very rapid growth.

Recession or not, trade between Canada and the United States is proceeding without incident. Every day, thousands of goods cross the border quickly and efficiently, on board trucks, trains and aircraft. Not more than 5 per cent of our two-way trade is affected by the various trade disputes. Without minimizing the importance of this 5 per cent, Mr. Speaker, it must be put into context.

Let me ask the real question, let us get to the bottom line. Setting aside the rhetoric, would we really be better off without the free trade agreement? The answer, Mr. Speaker, is no. The Americans are in a bad mood. They are in a recession and 1992 is an election year. For those of us who depend on trade, this is a particularly difficult combination. The United States are taking measures against several of their trade partners. Canada is not the only target, not even the main one. Japan remains their number one target, although Europe, Brazil and other countries are also affected. We are not thrilled about the situation, Mr. Speaker. Neither are the Japanese, the Europeans or the Brazilians. That is why global trade standards must be established to provide a clearer and stricter set of rules and prevent excessive protectionism on the part of the United States and also Europe and Japan. While Canada is generally hit first and the hardest by the American strain of this virus called "unfair trade practices", protectionism is not exclusive to the United States.

• (1350)

The United States has a peculiar way of defining fair trade practices and the strength of their economy is such that it can force its vision of things on others, even when inaccurate.

The fair trading system advocated by the United States rests on the premise that any producer for whom foreign competition creates hardship can plead his case before the authorities. He must show that the foreign competitor has somehow taken an unfair advantage of the United States. Over the years, the American Congress has developed numerous procedures through which American producers can vent their frustrations. In some cases, that is all it takes, but in others, the system provides for temporary or permanent penalties.

Whatever the outcome of these procedures, they are harmful, Mr. Speaker. They have a cooling effect on trade and investment and they erode investors' confidence. The big losers are the American economy and consumers, but we are also hurt.

The American system has gradually become uncontrollable. Once out, it is hard to get the genie back into the bottle. U.S. trade policy is marked by a lack of vision and leadership. The gap between the rhetoric and U.S. action is widening constantly. The U.S. is overly fond of preaching free trade while giving its own subjective and changeable definition of fair trade.

The answer is not to give tit for tat, because, as I said earlier, we often end up harming our own interests. The answer lies in negotiating international trade rules. We know that, and so does the U.S. In fact, U.S. representatives freely admit they need proper regulations more than any other country because their own system is too vulnerable to special interests.

That is why we have the free trade agreement and why we must keep demanding better and clearer regulations. It is also why we must have global trading standards and a three-way agreement between the United States, Mexico and Canada. We must seize every opportunity to obtain agreement on a set of regulations and on better mechanisms for dispute settlement. It is not a matter of one or the other. We need both to achieve one and the same objective: a more open, more predictable and more stable trading system.

However, the best cure for the current protectionist trend will be tangible proof that the recession is coming to an end, especially in the United States. We have reason to be optimistic. U.S. company reports are improving. Mortgages are being refinanced at lower rates.

Consumers have more money to spend, and the private sector is eager to supply the demand.

Any recovery in the U.S. economy will improve our prospects and strengthen confidence in the economy. Once again, Canada has realized that its well-being depends on that of its neighbour. However, once American consumers start spending again, we will be there to benefit, and we will be in a better position to take advantage of these opportunities. The past five years of adjustment and restructuring will have been worthwhile. Canadian entrepreneurs, now stronger and more competitive, will be able to take advantage of our improved access under the free trade agreement.

There are people who maintain that the agreement has made us a favourite target of U.S. protectionists and that it has removed our defences. Now who is being naïve?

Anyone who is successful becomes a target, Mr. Speaker. U.S. interests will always take an aggressive stand against imports. Americans are no different from anyone else in this respect. Obviously exports are more readily acceptable than imports. Any country would prefer one-way free trade. However, trade with other countries is a source of wealth, and both exports and imports are a way to stimulate growth.

It is a fact that Canada still shows a substantial surplus in its trade with the United States. Our annual exports to the United States have increased by $5 billion since 1988, the year before the implementation of free trade. In comparison, we have a general trade deficit of $7.7 billion with the rest of the world. This tells us that the free trade agreement is working well and that it helps preserve Canadian jobs. According to the agreement, customs duties will not be fully phased out until 1998, but exporters in both countries have already applied for accelerated elimination of certain customs tariffs between our two countries. So far, Canadian companies have requested and obtained two series of accelerated tariff reductions which have made it possible to eliminate customs duty on nearly 1,000 tariff items worth a total of $8 billion in bilateral trade. A third series is now under way.

Critics are confusing Canadians by blaming the free trade agreement for lay-offs in our manufacturing sector. One fact worth mentioning is that the current decline in employment in the manufacturing sector is more or less on a par with the number of jobs lost during the 1982 recession, when there was no free trade.

The loss of jobs in the manufacturing sector is not a recent phenomenon. In 1972, about 22 per cent of Canadians worked in the manufacturing sector. By 1990, this percentage had dropped to 15.9 per cent. The displacement of jobs from the manufacturing sector to the service sector is a phenomenon that we share with most developed countries, including Japan. It reflects the impact of the broad restructuring of our global economy.

Furthermore, increased employment in the service sector has more than compensated for the decline in jobs in the manufacturing sector. Administrative, professional and technical positions accounted for one-third of the growth in employment between 1971 and 1981, compared to 77 per cent between 1981 and 1986. According to Statistics Canada, these job categories will account for more than half of the new jobs created in the 1990s. Our manufacturing sector is neither dead nor seriously threatened. It is misleading to mention only jobs losses as proof that our secondary sector is declining. The total value of production in constant dollars and the manufacturing share of the total economy are more accurate indicators. According to these indicators, our manufacturing sector is maintaining itself.

In fact, employment increased in telecommunications and transportation equipment, aerospace and computer software. Since 1988, exports of Canadian finished products in such things as aerospace, industrial machinery, transportation equipment and chemicals have risen by about $4 billion.

Let me add, Mr. Speaker, that the free trade agreement is attracting foreign investment to Canada, investments that go to Canadian manufacturing and create jobs in Canada. Net direct foreign investment is positive for the first time in 16 years. The free trade agreement has encouraged Canadian companies to reduce their investments in the United States and to invest more in Canada.

Inevitably, the largest bilateral trade relationship in the world has tensions and problems, especially in a recession. Because of the present recession, the two governments have difficulty managing the bilateral trade relationship, and this is an election year in the United States. But the free trade agreement has protected Canadian companies from the arbitrary and unfair application of trade remedies provided in American law.

• (1400)

Final decisions on anti-dumping and countervailing duties can now be examined by a special binational panel.

We also have the right to request a binational review of any change to existing laws and regulations on countervailing and anti-dumping duties.

In conclusion, Mr. Speaker, the United States cannot apply new trade laws to Canada unless these laws comply with GATT and the spirit and letter of the free trade agreement. No other country has such protection from unfair trade action.

Ask our pork producers. The special panels under the free trade agreement saved them $20 million last year by eliminating U.S. countervailing duties.

We are determined to protect Canadian interests and to have the spirit and letter of the free trade agreement respected, because it remains the best guarantee for our trade relations.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the member's speech and, quite frankly, I have to question him on a couple of things.

First of all, he talked about increased foreign investment. Foreign investment in this country in the last couple of years, especially in the area of manufacturing, has shrunk dramatically. That is one of the reasons why our smaller and medium sized businesses are having difficulties, there is such a shortage of capital in the market. So I do not really think that free trade did anything to enhance foreign investment in this country.

An hon. member: Not true.

Mr. Mills: It really has not.

Mr. O'Kurley: In my riding $800 million in Dow Chemical.

Mr. Mills: I take the hon. member's point, Dow Chemical, $800 million, and I give him full recognition. But there are 1,700,000 businesses in this country and he cites to me Dow Chemical. I will give him Dow Chemical, but the bottom line is that because there is so little foreign capital coming into this country and because we have such a deficit and debt to service, that has reduced the availability of capital within our banking system.

I will bet you dollar to doughnuts that nine out of ten entrepreneurs who you approach on the street today will tell you that they are finding it very difficult to get additional lines of credit for more capital. That is just the simple truth of it.

Regarding the issue at hand, this free trade agreement, the more I listen to the government side of this House, the more I am happy to be on the record that I campaigned against the free trade agreement, especially chapters 14 and 16. The minister responsible for the environment will know well that most of her constituents, if they had a chance today, would not support her position on this free trade agreement. They would reverse it.

The point that I wanted to ask the member specifically about, and I am reading here and I do not want to cite exclusively from Mel Hurtig's book *The Betrayal of Canada* because there are some things in it that I do not go along with—

Mr. Soetens: What an authority.

Mr. Mills: No, I qualified my remarks.

Mrs. Browes: Not true.

Mr. Mills: But I do. This is not a quote from Mel Hurtig, this is a quote from an American research magazine. It says that the majority of branch plants in Canada are not permitted by their U.S. parent to export into the U.S. market and compete with them there. Among the long list of "not free to export" companies are Avon, Revlon, Gillette, Mennen, Noxema, Max Factor, Jergens and Lever Brothers.

Does the hon. member not think that there could be or should be some kind of an instant audit and review or a midway review about how this free trade agreement is really affecting the day to day life of the manufacturing industry in this country.

Cannot the government see that there is a global recession and there are some difficulties in the world that we are naturally being affected by. Does the member not think that it would be a good idea to strike a committee to do an audit and a review to see what negative impacts, and maybe positive in certain areas, we

can find so that we know exactly what is going on with this free trade agreement and then we can go from there?

[*Translation*]

Mr. Plourde: Mr. Speaker, as a parliamentarian with eight years experience, I think that I can give an answer to my hon. colleague from the Liberal Party. Before taking up politics, I was an industrialist and over the course of 28 years, I have worked to set up three businesses. By 1988, they had the capacity to export to the U.S. I extend an invitation to my hon. colleague from the Liberal Party to come and visit my riding of Kamouraska—Rivière-du-Loup. He will see that employment has doubled in these businesses established in a city with a population of only 13,500. I am not talking about big cities like Toronto, Montreal or Vancouver, but Rivière-du-Loup. The free trade agreement has enabled small business to seek new markets in the U.S.

The hon. member quoted a book. Let me quote in turn Mrs. Elisabetta Bigsby, vice-president of the Royal Bank International Trade Centre. I have learned a few things in politics. The politicians in this House are all bright people, but there are others outside these walls and we must listen to them. In a speech she gave in Quebec city earlier this week, Mrs. Bigsby, vice-president of the Royal Bank International Trade Centre said that Quebec has done the right thing in supporting free trade. That is not a politician talking, or a reporter or an author. I think we should believe Mrs. Bigsby.

She was the keynote speaker at a conference lunch organized by the association of Quebec business women. They carry some weight, as you know, Mr. Speaker. She said, and I quote:

> When you depend on a single market with relatively few products, as we do in Canada—

She did not say Quebec, she said Canada.

> —you are in for a bad time when the economy of this buyer country slows down. That is why diversification must be emphasized, be it geographic diversification or product diversification.
>
> Here in Canada, we often blame high labour costs for our international trade failures. In Germany, labour costs are even higher than here and Germany is still a world power.
>
> We can give two good examples of Quebec companies—SR Télécom and Vêtements Louis Gareau. SR Télécom exports 90 per cent of the communication satellites it produces.
>
> Vêtements Louis Gareau makes high quality sportswear and exports all over the world. Those are perfect examples of companies which, even with the high cost of labour, have found free market niches and have penetrated the export markets.

Mrs. Bigsby mentions that 50 years ago international trade represented 20 per cent of all commercial transactions while it represents more than 50 per cent today.

She concludes by saying:

> Since international trade is now done between blocs like the EEC, Asia, South America or the members of the free trade agreement, Quebec was right in approving this Agreement which can only be good for the province.

If I may, Mr. Speaker, I would like to answer another question. The member mentioned that I did not talk about investments in my statement. I'll have him know that Pratt & Whitney, for example, made investments of approximately $130 million in Halifax and that Louisiana Pacific Panel Products Limited invested $65 million in Point Tupper, Nova Scotia.

• (1410)

Pratt & Whitney Canada also invested $1.8 billion in Longueuil, Halifax and Mississauga, Ontario. Papeterie Daishowa invested $130 million in Quebec city and another company invested $120 million in Rivière-Beaudette, Quebec.

Now for the investments in Ontario; there is Dupont—$600 million in Kingston, Trenton, Ajax, Whitby and Sarnia; Bois Cascades Canada—$90 million in Kenora, and I am only talking about investments made in Ontario, not in Quebec. Kimberly-Clark—$60 million in Terrace Bay, Ontario; Goodyear Canada—$370 million in Napanee.

I could go on and on but I will stop here and say this: it is easy to forget. We never take the past enough into account; is the past not a taken of things to come?

[*English*]

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I want to say at the outset that I am going to share my time with the hon. member for Winnipeg South Centre.

I should comment at the outset that this is an opposition motion by the New Democratic Party, moved by the member for Winnipeg Transcona. Earlier in the day he made reference to the member for Vancouver Quadra not carrying on the fight of his life. That member was the leader of the Liberal Party of Canada during the last election. It was a fight, a tremendous fight.

But I want to point out that if the leader of the New Democratic Party had attacked the government with the persistence that we did, then the government would have been turfed out of office. But rather than attack the government that is responsible for the free trade debacle, members of the NDP attacked the Liberals because they were determined that they would be the official opposition. But had they attacked the government and the government was turfed out, they could very well have ended up as the official opposition. The Liberals would have been in power and we would have scrapped the free trade agreement at that time and we would not be in the mess we are in today.

I thought I would get some applause from the New Democratic benches but, Madam Speaker, there is not one here to take part in their own debate.

I take part in this debate today as a Canadian who has witnessed first hand the systematic dismantling of this nation by a government whose loyalties are to the rich and the powerful, loyalties that should be toward this nation and her people, but loyalties that have been redirected toward interests outside of Canada, corporate interests whose objective is power and financial domination.

Canadians are now paying a terribly high price; high unemployment, factories closing and moving to the United States and Mexico, our social systems being dismantled and medicare eroded. The free trade agreement has stripped Canada of the power to intervene and protect our cultural, economic and social programs. In fact I have to wonder just how long it will be until medicare is hit with a countervail action by the United States.

This could be the scenario. A United States firm raises the issue that its company is paying its employees' health benefits and a competing firm in Canada is taking its markets. Because Canadians have a current health plan that covers everyone, then I suggest that such a countervail will take place.

This free trade agreement is an unmitigated disaster, even worse than we had forecast. The U.S. trade remedy laws are intact and indeed supersede the agreement, but here in Canada we made many changes to our laws; changes to the unemployment insurance premiums, crop insurance, interest free loans on farm stored grain, the At and East, and the list goes on, all to accommodate the FTA. These are items that are brought about by various sectors of our economy due to the needs of our people, but items that could be misconstrued to be subsidies and subject to countervail by the U.S.

When we look at some of the actions by the U.S. since free trade came in, the countervail on our lumber, the fish issue on the west coast, the continuation of the export enhancement programs, in clear violation of the free trade agreement, our government does nothing. On March 18, 1991, I laid out the procedures in an adjournment debate in this House, as reported at page 18640 of *Hansard*, to call for consultations on compensation under the free trade agreement but the Tories have done nothing. They have done nothing to protect Canadian grain farmers from the huge export subsidies in the U.S. These grain subsidies are driving our producers out of business and causing very low prices in the total grain sector.

In the softwood lumber case we had unrestricted access to the United States market for our lumber, for everything except prefabricated housing and plywood. Unrestricted access was negotiated under the GATT in the Tokyo round and given away under the free trade agreement. Now we have a government trying to throw up a smoke screen and speaking of retaliation. This is sheer hypocrisy.

I have said from the beginning of the FTA negotiations that it totally ignores the reality of the climatic zones and agricultural geography of North America.

As a life-long agriculturalist I contend that the FTA is clearly detrimental to the economic well-being of the Canadian agriculture sector. Mother nature alone dictates that there is no level playing field. Our physical loss

in Canadian agriculture, our climatic area, our soils and abundance of moisture have been completely ignored.

In 1987 the United States government identified Canadian marketing agencies and systems as a trade distorting structure. Yet our negotiators and the government have done nothing to protect our industry against continuing attacks from both inside and outside Canada. Not only have they recognized the differences in our physical base but they have now admitted the fact that input costs in Canada are 25 per cent higher in comparison to those in the United States. They have not admitted that either.

More than 80 food processing firms have closed in Canada since January 1989, 46 of those in Ontario alone. Over 80 food processing plants have closed since free trade came into Canada. By contrast, we see huge new hyper-plants becoming the norm in the United States. If one U.S. company can supply a particular type of ice-cream with only two huge plants in the whole country then we have to realize it could easily supply the smaller Canadian market also without much addition.

Consequently, by ignoring these differences and entering into a free trade agreement that did not specifically exclude the essential elements of our industry, Canada has been placed in an impossible situation by this government. The Canada-U.S.-Mexico free trade agreement would make this situation even worse, particularly in the area of food production and processing.

It is imperative Canadian people know what is going on in these negotiations. We currently see the Canadian dairy and poultry sectors under siege at the GATT due to the free trade agreement and the fall-out.

Time after time we have seen time honoured Canadian institutions established under statute of this House being traded away in secret, behind closed doors at the GATT, in the free trade agreement, and now in the Canada-U.S.-Mexico trade negotiations.

I am deeply concerned that on May 1, 1991 our trade minister threw his support behind the U.S. position that environmental concerns be excluded from the negotiations in the North American free trade agreement. They are ignoring global warming and the thinning of the ozone.

In June 1991 the same minister said that he wanted to see Canadian firms get the same access to the inexpensive Mexican labour pool as U.S. firms. Again they are ignoring the 1.5 million unemployed Canadians.

Just to give some indication of the differences in the wage rates, I have a chart here showing Mexican total compensation and minimum wage data. In 1980 the manufacturing sector in Mexico was paying $2.85 an hour. Now it is down to $2 an hour. In 1980 it was a $1.36 an hour in the Maquiladora manufacturing area. It is down to 99 cents an hour now. The minimum wage in 1980 was $1.21. It is now down to 59 cents. Is this what the minister had in mind when he is going to tap those huge labour pools?

• (1420)

I have to ask the government: If that is the case, what is it going to do to the standard of living in Canada and what opportunity does that present to 1.5 million unemployed Canadians?

On the other hand, we intend to show the people of Canada what is happening here. Because of that reason we have to know what is going on because the government is not going to tell us. Will we continue to allow foreign investors to siphon off huge dividends from our economy, from areas which exercise near monopoly positions in the market and have profits three times higher than those of their own United States operations? As we examine such instances do our competition laws apply, and what about the anti-trust legislation in the U.S.? Is it being enforced? I suggest not.

We are seeing a massive concentration of power in the hands of fewer and fewer trans-national corporations and the direction of this government is giving them the agenda to carry out their ambitions.

I am deeply concerned about the future of this nation, the people of this nation and their standard of living. In Mexico, as I pointed out earlier, the wages are far, far less. Yet the government keeps telling us we have to be more competitive with a nation whose wages are far below ours and are still going down.

Finally, what can I tell my grandchildren? I can only recall to them the era when I was their age, an era which put the needs of the people, the needs and welfare of the population, above the greed and the ambitions of huge corporate structures.

As a Canadian, I am very alarmed about what is happening in Canadian society today and what is happening to our structures, to our institutions. It is time the Government of Canada listened to the will of the people and stopped taking direction from the multinational corporations whose bottom line is profit and greed.

Mr. Ken James (Sarnia—Lambton): Madam Speaker, I would like to put a question to my colleague across the way. Certainly I do this with no malice because he is a friend of mine and a colleague in Lambton county. Maybe we would want to talk about our home turf as far as the free trade agreement is concerned and about the multinationals in our area that he seemed to be berating a bit. Many people who live in his riding work for either Dupont, Shell, Cabot Carbon, Dow Chemical, Esso, ICI or Ethyl. All of them are multinationals that have contributed a great deal to our community. To my mind they are companies that we all respect. They helped to build our county and our city and provide the sound, economic situation we have there.

I would hope that he was not referring to them when he was talking about the multinationals that he seemed to be indicating were raping and pillaging Canada.

On a more specific note, the free trade agreement enacted a five-year countdown on petrochemicals and tariffs. In two more years after this one there could be no tariff on petrochemicals because there is a possibility in the free trade agreement, if we have mutual agreement on both sides, to have them removed completely.

I hear his party berating the situation, talking about the dollar and the dollar needing to be lowered to have this competitive advantage. Yet I say to my colleague and friend that the free trade agreement allowed the tariffs consistently, five years or less, to be removed. This definitely makes a much more competitive position for exporting that product to the United States. All the companies in our areas supported the free trade agreement. They thought it was good because it made them more competitive. What that means is stability of jobs for the people who work in his area. Many of them supplement their farming operations by working for these companies either on an hourly or on a salaried basis.

He might want to reply to that for those back home to understand exactly, not so much those where my friend comes from but maybe where his party comes from.

Mr. Ferguson: Madam Speaker, I am delighted to respond to my colleague from Sarnia—Lambton on this very issue. I should point out to him that the Esso Corporation, Imperial Oil Limited, first started out in the town of Petrolia which is in my riding. Oil was first discovered in North America in Lambton county. It was really the birthplace of the oil industry.

However, I see the difficulties it is going through. I think of those employees at Imperial Oil who walked out the door a couple of weeks ago with no prior notice whatsoever, having been given their pink slips. I see what is happening to the petrochemical industry in that area, as well as in western Canada. It is under pressure and in direct competition with the petrochemical industry on the Texas gulf coast. I just have to wonder what is going to happen here in the long term when it comes to the free trade agreement.

We have to recognize that when those companies came into Canada, under the automotive agreement they had to operate as responsible corporate citizens. The decisions had to be made in Canada for the benefit of the majority of Canadians. That is not happening today. It is one thing that has to happen. If companies based outside Canada are going to operate in Canada, they have to be brought to task, adhere to the principles that will meet the needs of this country whether it is the environment, the welfare of our people, or for the good of the country in general.

I should point out that I have documentation on one large firm that had sales of $4.3 billion in 1990. It sent $538,700,000 in dividends back to the parent company in the U.S. It borrowed $474 million to do that. It was a tax dodge. The Canadian consumers are going to pay back that loan and pay for the interest on it. We have to get back to basics here and make sure these corporations, these transnational corporations, act as responsible corporate citizens in this nation.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, let me preface my comments with an opening remark. I suppose we could say with some certainty that the eyes of the nation are not exactly centred on the House of Commons, on this Friday afternoon debate. I say that with great regret because we are today dealing with what in my view is perhaps one of

the most important issues facing Canadians now and in the future, that is a trade policy that makes sense for Canadians.

The reason it is important is that the trade policy, if we would call it that, of the present government, is in shambles. It has come apart. The wheels have fallen off. The sides have collapsed and it is going nowhere except downhill.

Do you remember those bright days of 1988 and jobs, jobs, jobs? The Prime Minister was accurate in one sense. The jobs, jobs, jobs have all gone south. Some 400,000 of them have left this country in the past two years: manufacturing jobs in southern Ontario, the petrochemical industry in Alberta and fish processing plants on the west and east coasts, furniture factories in Manitoba, clothing and textile factories in Montreal. Name it. It is happening. The jobs have disappeared, not been added to.

We also saw clearly this week the great touchstone. I looked back at the record where the Prime Minister said on March 16, 1987 that our highest priority was to have an agreement that ended the threat to Canadian industry from U.S. protectionists who harassed and restricted our exports.

What have we been debating all this week? Harassment of the United States against some of our most critical industries: hydro power in Quebec, softwood lumber which affects every province across Canada, automobile industries in Ontario. If this were the highest priority then I think any honest judgment would indicate that it has been an abject failure. The reason is that it started out with a fundamentally flawed premise that we could tie our trade strategy to a continental approach. We can lock it into North America. We can put all our eggs in that basket. We can have a dispute settlement mechanism confined simply to North American trade and Canada would become the land of milk and honey. At the time we said it would not work that way. It has not worked that way. It defied the fundamental historic experience of Canada over the past 40 years in international trade that we have to work inside an international, multilateral framework to make it work.

• (1430)

The unfortunate part of signing the free trade agreement is that we abandoned that approach. We sort of turned it over to this North American cocoon. The real tragedy is that as the world changes, as we become more interdependent, the opportunity for trade development around the world is increasing and the Canadian opportunity to begin opening trade niches in eastern Europe, in the Russian republics, in parts of east Asia, in central and Latin America are expanding but we are not in a position to take advantage of them. Canadian trade in those areas is falling drastically behind.

One of the reasons is because of the free trade deal. We are putting handcuffs on ourselves. Limiting our ability to process our materials, limiting our ability to invest and give the kind of support to specialized Canadian industry to attract those markets is a direct result of the free trade agreement. We lost control over our own ability to have an industrial trade strategy to enable Canada to expand its markets around the world.

That was our contention during the debate of 1988. We were not arguing about lowering some tariffs because as Liberals we have been in favour of bringing down trade barriers around the world. What we were against was the price we had to pay under the free trade agreement to get that, a price on limiting investment, energy, industrial strategy, regional development. All those things that Canadians have used over the years to provide for a targeted, managed trade strategy we surrendered, we abandoned. We put a strait-jacket around ourselves and as a result our ability to respond to the burgeoning international trade opportunities is thereby limited.

We have seen in the debate this past week where time after time ministers of the Crown have got up to try to defend first the indefensible, which was the signing of a memorandum of understanding on softwood lumber in 1986, really one of the classic disasters. It makes the Battle of Dunkirk look like a victory by comparison.

I will never forget being in this House—some members were not here then—when the then minister of trade, the Hon. Pat Carney, arrived back from her vacation in Hawaii and declared to the House of Commons: "We have won a great victory" to the great applause of the Tory back benches. We had put a 15 per cent tax on ourselves, one of the great sort of ingenious solutions to a problem and in doing that, gave up the right to challenge the U.S. law at the GATT where we would have won the case and forced Americans to recognize that their trade law is wrong. We gave up an

opportunity to use the international forum to challenge U.S. law.

I have heard the minister of trade, the Prime Minister and all the other acolytes get up and say: "We have a dispute settlement mechanism under free trade. That will work for us". They do not complete the sentence. They do not complete the equation. The dispute settlement mechanism under the free trade agreement does not allow us to challenge U.S. trade law. We can only look at whether that trade law was properly administered or not. It is not a question of being able to say to the Americans: "You are introducing protectionist trade laws that can harass us". All we can say to them is: "Did you adjudicate it properly?"

It is not a trade dispute settlement mechanism when you cannot challenge a bad law that is killing our industry. When they get up and say: "Let's use trade dispute mechanisms", they are using it as a smokescreen.

We are saying that it is not a question of taking the free trade deal and saying: "Let's get rid of it", as our friends here are saying. What we have to do is look at that free trade agreement, see how it is affecting Canadian industry and sit down with the Americans and properly negotiate those parts which are doing damage to Canada. That is the practical response.

I am surprised, and perhaps some member of the New Democratic Party will explain to me that when we took that stand, it did not mean to say that. As members well know, our own critique of the free trade agreement, which I have just outlined, is there for all to see. It is a question of what do you do about it. We have stated our option—negotiate. If there is not enough negotiation, we will exercise the right to abrogate. It was a clear statement by our leader and by our party in convention three weeks ago.

I listened to the member from Winnipeg Transcona today who seemed to be saying that that is the wrong approach. I went back and read the statement by his leader, the hon. member for Yukon, in the *Financial Post*, who said and I quote, and the quote is right:

> If elected, we will sit down with the Americans and say how can we make this thing work. If not, we will give them six months notice she said.

That is a very reasonable approach and I applaud the hon. leader of the New Democratic Party for taking it, but what I am wondering is why the member for Winnipeg Transcona jumps up and down, gnashes his teeth, spits pure venom against a policy that his own leader seems to be endorsing. Mind you, he is strange, Madam Speaker.

I want to come to one final point, if I may. I realize that we only have a short time of 10 minutes. The question is, where do you go from here? Clearly we are in a position where we have to look at alternatives. I simply want to return to the trade document that we put out during the 1988 election in terms of a Liberal trade policy. We said two fundamental things. A trade strategy for Canada must be an international trade strategy. It must work through the multinational forums. It must seek to diversify our markets and we must plan domestically the kinds of programs to support Canadian industry developing those markets.

That means working to ensure that fish processing plants can process fish in Canada so we can sell to the international markets. We will do it and that is one reason why free trade is not working for us. That means investing and giving special procurement rights to Canadian industry when they buy things from a government department in order to specialize and enhance their industrial research capacity. That is what we think has to be done so we can sell our manufactured products to Third World countries or to Russia, whether it is agricultural technology or environmental technology.

We believe in an international trade strategy. We believe that even in the case of the negotiations with Mexico and the United States, we are making a big mistake in limiting ourselves to that. The opportunity, for example, of developing a hemispheric trade policy, of incorporating the countries of the Caribbean, Latin and Central America in a broad-based trade arrangement, makes some sense because we balance out the interest. We do not fall into the hub and spoke philosophy of the Americans which is all roads lead to Washington.

We are trying, once again, to have a balanced forum in which various countries can apply equal leverage to make sure that the trade law in those areas applies equally to all countries and does not have a preferred

advantage for one strong economic power. I think this resolution would have been much better if we had a positive trade strategy, a constructive approach, not simply tearing up, throwing back, isolating ourselves, but one that looks to the future, one that looks at how this country can once again regain its capacity to be a leader in international trade and not a follower of continental trade policy.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I listened to my colleague and I want to ask him a very specific question. One of the concerns that I have always had about this free trade agreement has to do with the area related to our water resources. I have always had that concern because the chief negotiator for the United States, Clayton Yeutter, did his Ph.D. thesis in North American water management.

We have heard repeatedly from the government side of the House that water has nothing to do with this free trade agreement, yet we know that many Americans have a different view and there are also many lawyers in Canada who have a different view.

• (1440)

I was wondering if he could comment for a minute or two on what his views would be about water in the free trade agreement.

Mr. Axworthy (Winnipeg South Centre): Madam Speaker, the issue of water was one that really became an important debate when this House was considering the free trade bill and the hearings that went on about it. What we basically pointed out was articles 408 and 409 where the United States acquired the right to perpetual access to Canadian resources. Under that we went back to the annex of what those included. It included water as part of the annex. We said that when and if the time came the Americans felt that water was a crucial resource that they were running out of—and, by the way, the time is drawing nigh, it is becoming increasingly a matter of more concern—that they could use the free trade agreement to make claim upon those water resources and that our ability to manage those resources and have our own policy would be hindered and restricted by the free trade agreement.

Furthermore, as we pointed out, we eliminated entirely under the free trade agreement the right of Canada to impose export taxes which would be one way again of ensuring that we would have the right, in terms of our natural resources, to require it to be used in Canada and if it was to be exported that we could put a tax on it to at least get a proper benefit from it. That right, of course, was again surrendered. It is one of the reasons why it is essential that the free trade agreement be renegotiated, that we expunge those articles from any kind of trade agreement because, once again, it puts Canada in a position of subservience and it puts Canada in a position of losing control over its valuable resource.

We think of the importance of water to every region of this country; to our cities, to our agricultural areas, to our sports and tourism. It will become one of the great Canadian resources in the future if we can retain control. Under the free trade agreement that is a doubtful proposition which goes back to the fundamental position of our party: the need to renegotiate the agreement.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Madam Speaker, it is a pleasure for me to take part in this debate today to talk about a motion put forward by a member of the NDP asking for immediate withdrawal from the FTA. I am pleased to see that even the Official Opposition now, after they had a meeting in Hull where the business people came in and seemed to have a little chat with them, are supportive of the free trade agreement, maybe have it altered and changed, but certainly they are not talking the rhetoric they did in the last election of the immediate abrogation of the free trade agreement. Certainly we are on the same side as far as maintaining the free trade agreement. It is amazing how times have changed and we are pleased about that.

I think though the most important thing to understand about the motion before us today is that it represents a prescription that would lead to the isolation of Canada from its international trading partner. It springs this motion from a policy that is very shortsighted, and shortsighted in the extreme, in that it represents really a lack of understanding of economic and international trade realities.

Instead, rather than dwelling on the motion and the aspects of it, I would like to dwell upon and devote my time today to an explanation of how I feel Canada's vital interests are served by the government's decision to participate in a North American free trade negotiation. I

would also like, for the benefit of my hon. colleagues across the way, to outline some of the anticipated benefits that would flow from a successful conclusion of a NAFTA agreement.

I also want to show, with respect to this last point in particular, how a successful conclusion of the NAFTA will result in a positive contribution to the ability of Mexico and its brave peoples to fully launch itself on the road to economic prosperity and the democratic development that they so much desire.

In the last 40 years, international trade and economic environment has evolved to the point where the isolationist and mercantilist policies of old have been discredited, as we all know. We are in a global economy. Governments, and indeed entire political systems, have come to the realization that it makes no more sense to throw up barriers between countries than it is to throw up barriers between parts of a single city or a county. We have seen what gifts history has brought to those countries that have put up barriers around them, and we all know too well what has happened to their economies.

Global interdependence makes each of us dependent upon each other now. It is a structure that most fully rewards the competitive advantages of nations. We have seen in decades past what happens in a world where economic security will lead to political and military insecurity.

The North American free trade negotiation is but one element of the government's over-all trade and competitiveness strategy, which is designed to ensure the future prosperity for Canada and all Canadians. That strategy also includes action plans designed to deal with the complex issues being discussed in the Uruguay round of the multilateral trade negotiations of the General Agreement on Tariffs and Trade. Both were preceded by the successful negotiation of the U.S.-Canada Free Trade Agreement, which has given Canada increased access, as I especially noted earlier, to the companies in my constituency. It has given them more access and lower tariffs and more competitive advantage in the U.S. marketplace.

The proposition that Canada is part of the global economic reality seems to be one that is denied by certain members from across the aisle, and it certainly is denied by the motion we have before us today. We on this side of the aisle understand that Canada has succeeded in building a modern post-industrial society, where fully a third of our economic prosperity depends on international trade.

My hon. colleagues would be surprised, undoubtedly, to learn that Canadian exports account for over three million jobs in Canada today. With so many jobs on the line, it is certainly sad, indeed, that we are debating a motion that would, if enacted, result in Canada giving up our preferred access to the U.S. market and to turn away from negotiations with one of the most dynamic economies to emerge in all of Latin America.

However, simply being in the game is clearly not enough. The government and the private sector, including the labour movement, must all work together to ensure that Canadian workers are given the tools necessary to win in this competitive situation we are in. For that we must equip ourselves so that we can play and beat the best in the global arena we are all in.

The government understands that to win, Canada must improve the competitive position of individual business enterprises as much as we must improve our competitive position as a nation. My colleague, the Minister for International Trade and the Minister of Industry, Science and Technology, has launched a competitive investigation, a competitive consultation across the country so that we can look at the five main areas of concentration of competitiveness.

The government understands that learning and education must be a lifelong commitment that serves not only to enrich our lives individually, but also a commodity that ensures the ability of Canadians to respond to future economic challenges and secure long-term, high wage jobs.

Canadian companies need to be given the flexibility so they can successfully adapt to changing market signals. On the production side they must become adept at translating international scientific research and technology into products that can be sold in markets secured by trade agreements.

We need to ensure that innovative Canadian companies have access to equally innovative financial and investment tools and strategies that are needed to

support an outward-looking growth-oriented economy able to successfully compete in the global marketplace.

• (1450)

On the home front, our international efforts must be complemented by a more active dismantling of those domestic barriers that inhibit a more competitive and integrated Canadian market.

The fifth major element of the competitive study and competitive rebirth must be that of ensuring that Canada retains its ability to participate in a meaningful way in the foreign markets. This can only be ensured by a strategic approach to international trade negotiations such as that followed by the government in its successful negotiations with the FTA, the Uruguay round and NAFTA.

The presenter of the motion before us today does not seem to understand that trade within North America is already at a level of some $250 billion annually in American dollars. Negotiation of a North American free trade agreement is a vote of confidence by the three countries in the anticipated future of that trade.

Seldom have trade negotiations proceeded on such a solid foundation as that provided by Canada, the U.S. and Mexico. I have already noted that the three-way trade is approximately $250 billion American in trade. To that fact I may note that the combined gross domestic product of the three parties is in excess of $6 trillion U.S. If you are looking for a market in which to develop, produce and sell your goods, you would certainly have a difficult time finding a better one and a more expansive one in the world than the North American market.

The North American market will afford Canadian companies greater opportunities to forge additional economies of scale and production efficiency. On a foundation of enhanced competitiveness, they will be able to increase the capacity of their production as the barriers to trade are gradually phased out.

When considering the need for Canada to be an active participant in NAFTA negotiations, I would ask members to reflect on the fact that Mexico, after the United States, is our largest trading partner in the western hemisphere. As I said, a successful NAFTA negotiation will open up the Mexican market, which itself is poised for expansion. While trade between Canada and Mexico is relatively small now, accounting for some $2.2 billion in two-way trade, a NAFTA will provide an opportunity for us to expand upon that lucrative market for Canadian companies.

In the first instance, Canada seeks to negotiate the gradual removal of Mexican tariffs and other import barriers that currently block Canadian exporters of goods and services from reaching their full potential. The Mexican market is currently 85 million strong and is growing with each passing year. As the economy of Mexico grows, so will the purchasing power of its citizens. Mexico is an economy in transition and a successful NAFTA will help to position Canada to take advantage of the growing commercial opportunities that are presenting themselves in that country.

Also of great importance is the need for Canada to preserve its place as a preferred location for investment, both foreign and domestic. By offering investors access to not only the Canadian market, but also to those markets in the U.S. and Mexico, Canada will help to maintain our inherent attractiveness as a place to do business. A North American free trade agreement will guarantee that no matter where a company chooses to build its plants, it will have access to all three countries, and artificial trade barriers will not be a determining factor as they make those decisions.

I have also heard the minister say that Canada has a chance to build upon the achievements of the FTA where such improvements are of benefit to Canada. This was noted before, but now the Liberal Party seems to be saying yes, we are against the motion today; we want the FTA to remain but we want to improve upon it. Well, we have that opportunity in the NAFTA negotiations to explore the possibility of mutually beneficial improvements to the FTA. For example, maritime shipping could be one area that we certainly would look at. Also, content of cars in the agreement could be looked at.

A successful NAFTA would provide Canadian firms with greater access to the lower-cost production inputs that are necessary if we are to remain competitive with the dynamic economies of Europe and the Pacific Rim that we are competing with. The ability under the agreement to source high-quality products, high-quality components from, say, Mexico by our Canadian component assemblers could be a definite advantage to the competitiveness of our companies.

Following on the lead established by the FTA and carried forth in the MTN, Canada seeks, in the NAFTA, a trade dispute settlement procedure that is rapid, that follows clear and fair rules, and that is cost effective and accessible to the Canadian business sector. Trade disagreements, while they only involve a small percentage of the total trade between nations, can develop into major irritants if countries do not have at their disposal a fair and impartial method of settlement. As we know, before the FTA, we did not have one.

As was noted earlier by my colleague opposite from Winnipeg, who said, "Well, the dispute settlement mechanism is not any good", we did not have anything before. Yes, maybe we can end up with an even better one. Certainly we have taken it out of the political realm. As you know, the U.S. political scene is special interest driven, and it was special interest politically driven in the decisions that we were getting through the U.S. commerce department, and there was no other place to go. Now we have an impartial tribunal dispute settlement mechanism that certainly has proven already, in a couple of instances, to be beneficial to Canada.

Before closing, I would like to lend my support to one of the themes raised by the Prime Minister in Question Period some few days ago. In answer to a question, the Prime Minister noted that the government felt strongly that the NAFTA afforded Mexico the opportunity to further its development goals. Mexico's President Salinas has said, on more than one occasion, that Mexico would prefer to reach its development goals through trade rather than through foreign aid.

Again, I am surprised at the NDP putting together such a motion. It is for helping the down-trodden and for people who need help and helping them. Here is an opportunity to help many people in the country of Mexico to raise themselves up economically through a free trade agreement on a North American basis. I am very surprised that it would not be supportive of that, to help them raise themselves economically.

In ending, I would like to say that I have, in this debate, attempted to explain some of the benefits that will come to Canada as a consequence of our participation in the North American free trade negotiations. I would hope that all members of the House would come to an understanding that Canada's future lies in securing a prosperous place on the stage of international trade.

Hon. William C. Winegard (Minister for Science): Madam Speaker, I just want to congratulate my colleague for the rather sound and principled speech that he has put forward on this important question that was placed before the House.

I also want to congratulate him on his reluctance to move too deeply into some of the comments that we heard from the previous two speakers. It shows great control on his part, control that I am not at all sure that I have available.

I have heard the comment again about water. My goodness, how many times must we go around that issue? They tried it in the election of 1988 and it did not work, and it is not going to work now.

Then we had the old chestnut again raised about medical costs being somehow challengeable under the FTA. Everybody knows that is not so. You cannot challenge a universal program available to all under that. Even if you could, Madam Speaker, the costs rung up by our American colleagues in most of their major industries for health insurance is far, far more expensive and therefore challengeable than costs to Canadian corporations.

• (1500)

The member opposite should know that and get off this business of once again trying to frighten those people in Canada who need that kind of protection, particularly the seniors. I find it almost despicable that we are into this again.

I congratulate my colleague for not being quite as vigorous on this matter as I am.

Mr. James: Madam Speaker, I do not know if there was a question there from my colleague, but there certainly was a comment. I would like to comment on his comment.

I was reluctant to even respond to this business of water. I am a little surprised because I have the feeling that the members of the Official Opposition have altered their position because of a conference they had over in Hull some time ago. Perhaps some people told them they were a little off base. The free trade agreement is important and it should be maintained. Now they are

saying: "Yes, but we want to improve upon it". That is well enough said.

But to go back and start talking about water or including the old fear-mongering they tried in the last election, I would suggest that they not continue with that at all. I do not think it goes over well with the Canadian public today. I would suggest that they should stay way from that.

We certainly welcome their support of the free trade agreement. There should be a free trade agreement. Also the member from Winnipeg mentioned with some positiveness the NAFTA. Wow, I guess the numbers must not have been in his favour at the meeting in Hull. It looks like they are coming of age and understanding. When one is the government one gets to understand it to a greater extent. They must have had a few people bring them on side at their little session in Hull. This is pleasing and we are pleased to have their support.

They have some great ideas and suggestions on how to improve the North American free trade agreement. That is great but do not use fear-mongering. I do not think it is fair that Canadians be subjected to that kind of thing. Water never has been and never will be part of a free trade agreement between Canada and the United States. That is known by practically everybody, other than those who want to use fear-mongering.

I appreciate the opportunity to respond.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I was just listening at the tail end of the speech of the hon. member. I would just like to comment on the free trade agreement as such.

I believe when we were discussing the free trade agreement and Mr. Reisman was our negotiator, he was assuring us that there would be a period where there would be adjustments, otherwise we would be losing jobs.

The most important thing he forgot when he was negotiating was that our cost of production is much higher than in the United States. The cost of money is much higher because our interest rates are much higher and the rate of taxation is much higher than across the border. Therefore, how can we compete and have a free trade agreement on the same level if the cost of production is much higher here than in the United States?

Naturally we are seeing that industry is moving south because we are unable to compete. It is much more expensive to produce north of the border than south of the border.

An hon. member: Why did you support the agreement?

Mr. Kindy: Somebody is asking: "Why did I support the agreement"? I did it because I was fooled. They fooled me. It is simple.

Mr. Mills: The whole country was fooled.

Mr. Kindy: Another member just said the whole country was fooled. This is why I believe that we should have a second look at that agreement and take steps to correct those elements I just cited. It is impossible for a country to be competitive with another country where the cost of production is much higher. The cost of production is much higher in Canada than it is in the United States.

Now we are talking about a free trade agreement with Mexico. Imagine! What is going to happen to Canada? We will lose most of the industry and become suppliers of the raw materials for the United States and Mexico. I believe this is a deal that was negotiated in bad faith.

I saw the negotiator, Mr. Reisman, at noon in the parliamentary restaurant. I do not know what he is doing, but he should be called before the bar of this Parliament and asked questions. How did he make the deal? The Prime Minister should be called because he really sold out Canada to the United States.

We have to negotiate; we know that. We have to trade; we know that, but to do so, we should be protecting the interests of Canadians and we have not been doing that.

Mr. James: Madam Speaker, hon. members should note countries like Japan and Germany. They probably have the highest wage rates in the world yet they compete with automobiles and they compete throughout the world. They have relative differences than other countries. It is one of a total balance sheet production efficiency side.

What are we going to do? Close all the borders up? Stay within ourselves, throw millions of people out of work? We have to be competitive. We have to compete in the world. We have to open up our borders and we have to learn to compete with our productivity and efficiency.

I was thinking earlier of the members opposite, rattling about the free trade agreement. As a government, they overspent for years and years and drove us into a debt situation that has made for increased taxation. That is one of the big reasons we have a problem with competitiveness that must be turned around. We have to get rid of this massive deficit, this situation that they put us in. They are rattling about a free trade agreement, about being competitive. They put this country in a position of indebtedness and it will take us years to get out of it. I am appalled at them coming forward with such arguments.

Members say we have to compete, that our industries have to be competitive, but they have to have somebody to compete against or otherwise we, as consumers, just keep on paying ever higher costs for things. We have done this for many, many years and we are fed up with that sort of stuff. We are not going to do that any more. Our companies have to be competitive. We have to compete and we can compete.

We do billions and billions of dollars of trade with the United States and we compete every day. Seventy per cent of the product from major corporations in my area goes to the United States. We can compete. We are looking at building a new major world scale ethylene plant in Sarnia. It can compete operationally with the gulf coast. It has an after tax problem that we have addressed in the budget and now hopefully Ontario will help us with it, but it is operational. We can compete so do not say we cannot. Dupont can compete, ICI can compete, Esso can compete, Cabot Carbon can compete, Ethyl can compete. They will all ship product into the U.S., our biggest market so do not tell me they cannot compete.

We are going to compete more and better and better as we look at how to help them in a competitive situation in our country.

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, it is a pleasure for me to speak for the second time in two days on the subject of trade and free trade.

On Wednesday night, the House had an emergency debate on the disastrous effect the Canada–U.S. trade deal has on the softwood lumber industry. We heard members talk about job losses the Americans will force on us. Members opposite tried to convince Canadians that we will receive a favourable decision from the binational panel.

However, the result is clear. The trade deal has not benefited Canada and has done serious damage to some very important industries.

• (1510)

As I said the other night, this government tried to convince Canadians that with the trade deal the Americans would become our partners in trade. There would be a glorious and prosperous future. The country would be more competitive and we would have guaranteed access to the United States market. Canada and the United States would work together. Sadly this is not the case.

Practically every trade action taken against Canada in the last number of years has been launched by the Americans. B.C. salmon and herring processing was challenged by the Americans. The U.S. challenged us over ice cream and yogurt. Our problems at the GATT over supply management are caused by Americans who wish to destroy our supply management system.

The subsidy war between the U.S. and Europe is killing our western grain farmers, as does the decision to put a duty on Canadian built Hondas and the softwood lumber tariff. With friends like that we do not need many enemies. The Americans will not look after our interests that is very clear. What we need is a government here in Ottawa that will protect Canadians. Three years after the deal let us look at the results.

There are over 1.4 million people in Canada looking for work. Today there are more food banks in Canada than there are McDonald's restaurants. Every day we hear about another plant closing, jobs moving south to the U.S., all this from a deal that was supposed to make us competitive.

A large reason for the failure of the trade deal was this government did not provide the adjustment programs it promised during the election campaign. It said it would not be possible to determine what job losses were caused by the deal. I say it would be easy to find which jobs were lost by the deal. Just count the Canadian companies that have moved to places like Buffalo, Seattle, Florida and Louisiana. Companies do not move because of the

weather, they move because they can make higher profits, because the cost of business is lower.

The federal government did not help the situation because it allowed Canadian interest rates to soar and the value of the dollar to climb, making exports less profitable. The Canadian food processing industry has been particularly hard hit by this trade deal. In order to have a prosperous food industry you need two things, protection for your producer and protection for your processor.

Before this deal Canada had both. Supply management allowed farmers in the dairy, egg and poultry sectors to earn a decent return on their investment while ensuring a secure a supply to customers and industry at a reasonable price. As well with some import duties our food processors were able to make a fair return on their investment while providing jobs for Canadians.

Now, with the deal, the protection for our food processors has been removed and what do we see? Something like 80 Canadian food processors have closed up shop and moved to the U.S., throwing thousands of Canadians out of work.

What the Americans could not get through the trade deal they are trying to get from the GATT by challenging our supply management. It is a small miracle that there is any food industry left in Canada at all.

The Liberal Party has always believed in a competitive and prosperous Canada. With co-operation between business and labour and the right policies from government, Canada can provide a prosperous future for our children.

New Democrats refuse to recognize the reality that the U.S. is our largest trading partner and that we should work toward a favourable trading arrangement with the Americans.

The government should seek to improve the trade deal with the U.S. Sadly we know this government is unwilling or unable to stand up for Canadian interests. That is why after the next election a Liberal government will stand up for Canada in renegotiating the deal and if we cannot reach a favourable agreement then we will invoke the six month withdrawal clause.

It would be foolish to slam the door shut on our largest trading partner without first seeking to solve our problems. Heavy dependence on one partner is never wise, but it will take time before we can develop markets to move into.

The government wants Canada locked into a deal with the American giant without looking at the consequences. The New Democrats want us to abandon $200 billion in trade. That is not possible.

What is possible is the Liberal position of negotiating a better deal with the United States and through multilateral agreements expand our trade options.

We cannot go blindly into the future. We must develop a balanced approach that favours Canadian interests and Canadian jobs.

Mr. René Soetens (Ontario): Madam Speaker, I appreciate the comments that the hon. member made—

Mr. Boudria: Yes, they were excellent.

Mr. Soetens: In fact they were excellent from his perspective. They were very well delivered and I compliment him on it.

The question I would really have is that he talked about a better deal, that the Liberal Party would negotiate improvements to the deal. But as I listened to his speech, I did not hear him comment about what those improvements were.

Rather than leave it up to the electorate to elect the hon. member's party and after the fact say: "There, now we are elected and we have dotted that *i* which was not dotted before, that makes it a better deal," I would be curious if the member could give me three or four examples of very clear things that he thinks ought to be improved upon.

Mr. MacAulay: Madam Speaker, I thank my hon. colleague from across the way. There are a number of things. We certainly have to find out exactly what is going on. Here we are involved in a trade deal with a nation that is ten times our size and we have not established yet what a subsidy is.

There are many things that we have to do just to find out exactly where we are.

I also think we have to look at things that happened for example in the fishing industry, in the herring and salmon industry on the west coast.

The Americans were always striving to have a certain percentage of the fish to process, but through the trade deal we did not permit this. The ink was hardly dry on the deal when the Americans applied through GATT. I would be very surprised if the government was not aware that they would be able to obtain this through GATT. They were able to obtain the fish through GATT and because we have the trade deal we were not able to put an export tax on the fish.

Unfortunately, now the Americans have the right to a certain percentage of our salmon and herring on the west coast. It is very unfortunate because we lose a lot of jobs, jobs that are badly needed on the west coast.

On the east coast in the lobster industry, it was in 1990 when the American government decided that they were going to increase the size of the lobster. We can always go to this great dispute settlement mechanism, but from what I understand it only decides whether the law of the importing nation was properly applied.

For an exporting nation where, in the name of God, does that leave us? We are an exporting nation and the Americans decide we are not going to ship the fish in. They decide possibly we are not going to ship potatoes in.

The problem I see with the trade deal is that the Americans do all the deciding and we, as an exporting nation, need to have some say in the process. As far as I can see, we have very little say.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, it is a great pleasure today to debate this supply motion.

I must tell you that I do not agree with the New Democrats' motion, and I challenge them to rise right away and contradict me when I say that this motion is definitely not in Canadians' interest. You will note, Madam Speaker, that they did not even reply. But I want to tell you that I would not want the government opposite to start thinking that I am about to praise it either, because that will not happen.

• (1520)

[*English*]

Now that we have established that, let us read carefully what those fine people to the far left want us to do.

They want us to say that in the opinion of this House, Canada should withdraw from the negotiations concerning the North American free trade agreement. Withdraw. Don't want to talk about it; don't want to even see what the Americans are going to do to us when we are not there. They prefer that we not be there.

Okay, maybe by not being there we will not know how bad things are, and therefore what we do not know will not hurt us, according to the NDP.

We should also give notice of withdrawal from the Canada–U.S. Free Trade Agreement and pursue a global strategy not based on making the planet an unfettered playground for the multinational corporate elite.

Now that last sentence is a little catchy. But I would like to remind the House what it is that happens when New Democrats propose motions that are not thought of very seriously.

I will give you an example to make my point. You will remember that some weeks ago we had a New Democratic motion on GATT. Well, someone sat behind the word processor at the great NDP nirvana someplace in this building and wrote a press release.

They announced that the NDP were proposing a motion that the government refuse to sign the GATT. I have a copy of it right here, it is dated February 7 and it was supposed to be in regard to the February 12 opposition day.

The NDP released a few copies of this around and some people did not like it. Actually, many of their supporters did not like it, particularly in western Canada. So they had to run around pulling back the copies of the press release already issued because they had embarrassed themselves, that Canada should not be part of the GATT.

Maybe we should move Canada to another planet, according to the NDP. They live on the moon anyway, most of them are Looney Tunes, so they want us to move someplace else.

When the motion did appear in the House, it said "that this party calls on the government to support unequivocally a GATT accord that would—" and then it gives all those fine things that a GATT accord would do. It is not exactly the same. You see what happens? A press release, some people talked to the NDP, they smarten up, and then the final draft.

Do you know what happened today? No one proof-read the motion. That is what happened. And, because no one proof-read the motion, we have a motion here that calls on Canada to run away from the North American negotiations. For all I know, the deal might be a bad deal, but how will we know unless we are there?

Then also, that we should pull out of the free trade agreement.

[*Translation*]

Madam Speaker, we know that in my riding, we lost many factories because the free trade agreement was badly negotiated. But I ask the New Democrats this: What factory in my riding will reopen if the free trade agreement is cancelled? That is a good question! I know of none, not one. Of course the few industries that may have gained would also lose with that. So we would have lost those that we had already lost and we would lose the small gains made since then. We would be losers all around. That is the New Democrats' position.

Now we have the position of the government opposite, which signs anything that the President of the United States shows them. That is the other side of the story. So here we have a free trade agreement that was signed late in 1988, if I recall. This free trade agreement was signed in a building in Washington, apparently over a meal of Kentucky fried chicken, at three o'clock in the morning by the then Minister of Finance, who had come to Simon Reisman's rescue. Despite all his finesse, Mr. Reisman had managed to bungle the whole deal.

So we have this badly negotiated agreement which contains no definition of subsidies and includes a regulatory mechanism that of course binds Canada but not the United States, a partner ten times as big as the other, with nothing to offset this disadvantage. Finally, it contains nothing to set the value of the respective currencies, which means that as our dollar rises, we can lose as much as if a previously existing tariff was reduced.

Everything I mentioned, Madam Speaker, is what the government opposite gave us. The members on the left, the far left, want to undo what has been done without going back to what existed before, because that is impossible, and want to withdraw from the negotiations as well.

[*English*]

It could very well be that when the so-called NAFTA agreement is finished, we will not like it either. It could very well be that the government will not even like it, for all I know, although the Americans like it. Anyway, I will give them the benefit of the doubt for the moment. Not much of it, but some.

The point is, how do we know all that unless we are there at the table negotiating? How do we know that the Americans will not give away what we have when we are not there? How do we know that they will not establish policies between each other that will be a nuisance to us, unless we are there? We do not know that. That is why this motion should have been proof-read. That is why someone at the headquarters of whoever wrote this thing on the back of an envelope last night should have reread it before they put it on the word processor. That is why this is wrong.

That does not mean that we should be congratulating the government.

[*Translation*]

As I said earlier, this government has not protected the Canadian economy as it could have.

[*English*]

If I have a few minutes left, I would like to read an excerpt from a letter by a constituent, Mr. William Howieson, who sent a letter to *The Ottawa Citizen* responding to an editorial they had written on farming. Because of the very limited time, here is what he said, in part. He was comparing Canadian farmers to U.S. farmers. He said: "The 1990 New York business summary of 395 farms reveals that the total cost to produce 100 pounds of milk in the U.S. was $15.27. The comparable figure in the 1990 Ontario Farm Accounting Project of

204 farms was $15.32." In other words, there is a 5 cent difference out of $15.

Some members across the way who do not support supply management—not all; by and large the government does—and some so-called consumer advocacy groups are not aware that our farmers here in Canada are every bit as efficient as those on the American side. What is different is the subsidy afforded to both groups.

[*Translation*]

The hon. member for Algoma raised the point this morning in Oral Question Period in the House of Commons when he told us about a study done in the United States which reported the thousands and thousands of dollars in subsidies to American producers at the same time as those people claim to want to compete with us on an equal footing or "level playing field".

There is nothing equal, Madam Speaker, when Canadian farmers compete with the U.S. treasury. There is nothing equal about that.

[*English*]

In conclusion, I want to tell Canadians that what we need is neither the folks across the way nor the extremists, who are left with their ridiculous concoctions that they brought to the House today. What we need is something more reasonable, like a Liberal government.

Mr. René Soetens (Ontario): Madam Speaker, I am pleased to rise and participate in this very important resolution.

• (1530)

There are, I guess, three points of view being expressed in general. One is from that group that the previous speaker describes as, if I can quote him correctly, Looney Tunes, or something on that basis. I am not sure I necessarily share the name, but I think it adequately reflects a view. The second is from those across the way. The third, of course, is from those on the government side.

Before I give some comments on that, I have a slight quiz for you. I do not know if you would like to answer this, but let me give you a few quotes and we will see if you can answer. If you cannot, I will be glad to provide the answer for you.

Who do you think said: "We need lower, not higher trade barriers here and around the word if we are to build efficient manufacturing industries and increase our productivity?" Who do you think said: "Not only could Canada benefit considerably from freer international trade, it is incorrect to claim that trade liberalization would destroy certain Canadian industries." Finally, who do you think said: "He isn't moved by the insecurity these issues raise for affected workers. I want these people to be afraid of losing their jobs. It's the best motivation in the world."

I realize it is going to take some considerable thought as to who said all those great words. It would be hard to identify him with anything he is saying today, but it is the actual Leader of the Opposition today who made those comments. In fact, they are quoted in *Le Soleil*, July 15, 1978 and in *Hansard* on October 20. The questions are there. They are very clear. They are his.

I do not think I heard any of that comment today from members opposite, but I thought I would share them with you, because they obviously have some influence. Should they ever form a government, heaven forbid, they will come back and say: "Yes, but you know what I've been saying all along. What I said during the election campaign is not really what we were going to implement. Just look at my speeches prior to the election." I think it had something to do with that back in the mid-seventies when they campaigned against wage and price controls, and after the election, they said: "Look what we said before. Don't count that." They campaigned on 18 cents a gallon and then afterwards said: "Forget what we said during the election. Look at what we said other times."

I thought I would share that with you. I am sure it is of benefit.

Let me give you more recent information. I think there are some interesting articles. In yesterday's *Globe and Mail*, in an article written by Peter Cook, there are a couple of paragraphs I would like to relate to you. Peter Cook said:

> The anti-free traders are wrong. But, in the absence of an alternative and in their willingness to misapply every fact and statistic, they have a great capacity to deceive. It is now routinely stated that all the jobs lost in a cyclical recession have been lost "under" or "since" free trade.

I carry on. It says:

> A new study by WEFA Canada of Toronto entitled "Why has Canada's economy performed so poorly?" sets the argument in its right context, explodes the free-trade myth, properly takes Ottawa and the provinces to task for very fundamental policy mistakes and

deserves to be better circulated and read than the betrayal-of-Canada drivel put out by the anti-free traders.

I thought I would share that with you. There are some people out there in the world who say, particularly here in Canada, yes, we've got some problems and yes, governments have made some mistakes, both federally and provincially. I would have loved to see the dollar stay at 84 or 85 cents rather than go all the way to 89 cents, and yes, that would have been much easier if we had not had the deficit remain in the $30 billion range during the last six or seven years. I understand that, but the fact of the matter is we are there and we have to deal with those issues.

But to then listen to colleagues opposite talk about the devastation that has been racked on the industry of Canada and our exports, I should point out some other useful numbers, and I am sure you are writing these down with great anticipation because they are going to be useful in any speeches you might give as well.

Our exports to the United States in 1988 were $102 billion. In 1989 they were $105 billion. I realize that is about a 3 per cent increase and that is the first year of the free trade agreement. Certainly that does not sound like any disaster to anything. It does not sound like boom times either if you only increase exports 3 per cent, but it is certainly very positive.

In 1990 we went from $105 billion to $110 billion in exports. Again, that is about a 5 per cent increase, but no great boom times. Again, it is a positive number. Unfortunately the numbers are not fully finalized for 1991, but I acknowledge that it looks like they are going to come in at about $107 billion, which is down some $3 billion from the year before. That is not great, but that is certainly no disaster. That is still well in excess of what it was in 1988 prior to the free trade agreement.

When you look at where we saw the improvements, I think that is the more interesting number, because between 1988 and 1990, our sales went up in things that were technology, in things that were manufacturing. Things like nuclear reactors, boilers, machinery, and mechanical appliances were up 6.7 per cent. Electrical machinery, equipment parts thereof, sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles were up 63 per cent. It is certainly a nice number. Plastics and articles thereof were up 16.5 per cent; furniture, bedding, mattresses, mattress support, cushions and similar stuff, furnishings, lamps and lighting fixtures, not elsewhere specified, a 14.5 per cent increase; aircraft, spacecraft and parts thereof, a 53 per cent increase; rubber and articles thereof, a 16.8 per cent increase.

Those are all good things. What are we hiding our heads for? I am rather proud of those statistics, and that is why I shared them with you. I think when you look at some of these items that are being mentioned across the way, they talk about how bad things are and they seem to want to ignore that.

Let me give you some examples, because those are general numbers. You hear stories about all these major companies that are doing poorly. Well, maybe they are, but let me give you an example of some that may give you a different perspective.

These are all located in my riding, and I thought I would bring it down to that perspective because it is easy to take the companies in the headlines, the ones that announce their $100 million expansion or announce their closing; they are easy to identify. Here is one, a company called All Temp. It is a small business, privately owned. It employs 35 people, and it really has not changed since 1988, so they indicate. Sales volume is up. It is up considerably. It distributes motors, refrigeration parts, things of that nature. Its prices are in fact lower, and some of that is because of the actual reductions that took place in duty.

More importantly, it found that there has been a reduction in the competition from the Far East, the Orient, because it is now able to source more of their products, either in Canada or the United States, and having eliminated the duty, it is in fact more competitive against those companies who use far eastern parts. That is why its business has gone up.

It has also found that some of its suppliers have been able to source some of their production now in Mexico, further reducing their cost of the parts, which in fact has made North America benefit because of the reduced over-all cost to the whole system versus that of the Far East.

So there is a company that has clearly benefited by the free trade agreement, and it says so very clearly.

Another company in my riding is Sollas Canada from Pickering. It was recently purchased by Canadian investors from its Dutch parent. It is a small company. It is a

distributor and manufacturer of various plastic banding and packaging equipment. Since free trade was implemented, the company has expanded from three employees to 15 employees. It has moved into a new facility four times as large as what it had before. Its U.S. customer base has grown considerably. Prior to 1989, it had absolutely no U.S. customers. Today, approximately 50 per cent of its customer base is U.S. oriented. What was its forecast for 1992? A great year, the best year it has ever had.

Another company is Timbrem Industries, a company in Ajax, privately owned. It manufactures heavy duty rubber-assisted suspension for trucks, a very unique product made in Ajax. It exports 75 per cent of its output to the United States; 100 per cent of its raw material is Canadian. It supports the deal with the United States, and in fact its sales volume has increased significantly over the three-year period, on an average of about 20 per cent, and it has similar forecasts for 1992. In fact, if it is convinced into the year that the year is progressing as it thought it would, it will in fact proceed with an expansion that it has on its drawing board. Now, it is not employing a lot more people, only three, but it did employ 15 to start; it now has 18. That is positive.

There are others. We talk about how Canadian food processors cannot compete. Is it not interesting that in fact the supplier of the fresh meat and so on to the House of Commons is a constituent of mine. It was recently a new company. It was established in 1989. The sales volume in 1991 was up 50 per cent over 1989.

• (1540)

That company is a supporter of the free trade agreement. It talks about the benefits in that industry which have really been benefits to the consumer. It has been able to comment that because of the competition that exists in the marketplace on processed food, and it is a meat processor, in fact the price has been much more stable.

I know that on this side of the House we would not too often, but on the other side, since those members do not usually have a lot to do in the summer, they would have their barbecues where they serve a lot of steaks. They would know that in the summertime the price of steak used to go up because it was barbecue season. Well no more. There has been real price stability in that product line.

A larger company this time, GE Canada opened a plant in my riding. GE Silicones opened a plant 70,000 square feet in size. It was talking about 1991 being the biggest year in the history of the company. It has the world mandate on behalf of GE to supply silicones to all of their operations world-wide. Its major customer is of course the United States. It is that volume that it gets out of the United States and in fact Canada that enables it to be competitive world-wide.

As I say, GE Canada just opened this new plant, but not only did it open the new plant, it had so many orders that it could not shut down the old plant when planned because the capacity of both plants was needed to fill the order backlog. That company is very supportive of the free trade agreement and it is forecasting a banner year in 1992.

Those are some examples of companies that are doing well and there are others, but what I get from the motion is that members of the NDP would walk away from all of that, would walk away from the success stories, from the whole international trade relationship that we have with the United States, the possible relationship that we have with Mexico. They criticize the international companies that create a lot of employment.

Well, what would we fall back on? I guess I can go back to my experience prior to my election. I was involved in the steel business and we exported extensively to the United States.

What did we have in the United States? We had government agencies working with the President and working with the Congress of the United States putting controls through such artificial trade barriers as a thing called a trigger price mechanism. That is, if steel was shipped below a certain price, all of a sudden it was subject to countervail action and duties and the matter would be dragged through the courts.

All of those actions were taken in the United States, not to get Canada, but were taken to get other countries in the world that were dumping their steel into the U.S. market holus-bolus. But the fact of the matter was that Canada was included.

We were innocent of all of that nonsense, but we were included because there was no mechanism in the U.S. system to prevent Canada from being included. It was

simply that when the U.S. announced a duty package all countries in the world were affected.

Prior to the trigger price mechanism, the U.S. implemented various artificial quotas on the countries that were accepted, that they were going to have 3 per cent of their market and they could ship all they want at whatever price they wanted, as long as they did not exceed 3 per cent.

Canada got caught on that. Yet we were not the problem. At least the free trade agreement prevents that from happening.

The NDP would love us to go back to that old kind of system where we get swept in on all these trade disputes, whether we are a party, whether we are guilty or whether we are innocent.

We are dragged in simply because members of the NDP would love us to chuck the free trade agreement. Not only would they have us chuck it, what amazes me is that they even have the gall to bring forward this resolution.

When I look at who the NDP members of Parliament purport to represent, in my neighbouring constituency, the constituency of Oshawa, there is a company called General Motors. I will bet it fits the description of the very international companies that they are criticizing for their investments in Canada.

I will bet you the member for Oshawa has not had the guts to go back to Oshawa and say: "GM get out of Oshawa. Go away. We do not want your investment. We do not want your jobs." I wonder if the various members from Windsor have gone back and said: "You know, these international corporations that have the freedom to simply move from this area to that area of the world, care less"—they have not chased them out of Windsor. They have not said: "We don't want them in Windsor." Of course they do not say that because these people are good employers.

Simply being a large international corporation does not make it a bandit. It does not make it an irresponsible citizen of the world. There are some tremendously large corporations that in fact are very responsible.

In my riding there is Du Pont Canada that has lots of international affiliations. Du Pont is a very responsible company and before it was mandated by governments it was dealing with the whole issue of ozone within its environmental package.

I can comfortably say that as it relates to the environment, Du Pont was in fact providing leadership on the issue. Was it going fast enough? We can always debate whether it was or was not. But the fact of the matter is it started before governments started, not just the Government of Canada, I would say governments around the world.

Du Pont was on its way to trying to rectify some of the environmental problems that it knew its products were causing. But it was fine to simply criticize Du Pont. It is we Canadians, Americans and others in other parts of the world who wanted Du Pont's products, and it was happy to provide them. Once it was aware of the problem, of course it tried to rectify it.

So the NDP say: "Walk away from these trade agreements. Walk away from the FTA, and don't get involved in the North American free trade agreement".

I will acknowledge that the agreement is a very ambitious undertaking. And the agreement is being negotiated, I would say at a timely moment.

The nations of the world are struggling to compete, and we hear this all the time through multilateral negotiations aimed at creating a more level playing field for exporters. That is part of this whole GATT negotiation process that is under way in the world.

As a country, Canada is certainly trade dependent. I do not think there would be anyone on any side of this House who would debate the importance of trade to Canada. If trade is important to us, then open markets on a global basis can only benefit us.

While Canada ranks eighth in the world in exports of goods and twelfth in the exports of services, there is no doubt that our future prosperity is highly dependent upon a successful track record.

What I would say to you is that it is not playgrounds that we are talking about, which is part of the NDP resolution; it is three million jobs in Canada which are dependent upon exports. Three million jobs are on the line if we simply abandon any attempt to get involved in very successful trading negotiations.

The North American free trade agreement negotiations constitute one step in that direction. To be competitive in the world our industry must successfully compete in North America.

A North American agreement would benefit the wide range of export-oriented Canadian goods and services producers provide. The NDP motion basically says that if we get out of the FTA, if we get out of the North American free trade agreement, presuming they would want to stay in GATT, we would be left as one country negotiating with 108 others to have everybody lower their barriers. At least history has those barriers coming down.

But what members of the NDP do not really comment on is that while those barriers are coming down, there are some countries in the world where the barriers are coming down even quicker. One needs only look at Europe where in a sense, a free trade agreement has been set up among the 12 European nations, basically eliminating all barriers to trade.

We have the same happening in the Pacific Rim where countries are very quickly dropping their barriers to trade. We have the same thing happening in discussions in South America among some of the countries.

Why would we as a country want to stand on our own and try to get into all those islands of trade liberalization and have to jump hurdles, when in fact we have the potential through the North American free trade agreement of dealing with a market of some 380 million people? It would be the largest market in the world covered under an agreement. That can only benefit Canada.

I talked about the company that has imports from Mexico, and is working with the U.S. and Canadian suppliers. It is successful.

So I suggest that there is no doubt in my mind that there are some clear benefits to being involved in the North American free trade agreement. Of course, until the agreement is really finalized it is hard to say if it is a good deal or a bad deal.

I am not going to stand up and say it is a great deal. I do not know what the deal is. But I think the intent is that we should be there, we should be negotiating, we should be protecting Canada and that is why I am happy to speak today in favour of Canada being exactly where we are right now.

• (1550)

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I would like to take this opportunity to make a brief comment and then put two questions to the member.

I want to say what an important debate this has been today. It is probably a forerunner of the election to come. The only party in the country that is fighting for Canadians is in this House. New Democrats are fighting for Canadians who are losing their jobs because of Canada-U.S. free trade. They will likely in the future suffer even greater job losses because of North American free trade.

Clearly the debate today showed that those people in the New Democratic Party stand up for the working people of Canada and the Conservatives on the other side support free trade all the way. We are not sure what the position of the Liberals is. That is nothing unusual either. We will all have to deal with that in the election to come.

I have some questions for the member. First, we would know with regard to the North American free trade agreement that elected officials from all sides in both the Mexico and United States have had an opportunity, I understand, under security to go in and to look at the current draft agreement between Canada, the United States and Mexico, the North American free trade agreement. I would be interested in knowing if he has seen such an agreement from his minister, the Minister for International Trade?

Second, is he aware if any members of cabinet or on his side have seen that agreement?

Third, would he agree that sharing the information in the North American free trade agreement might go some distance to quelling some of the concerns of a lot of people about that agreement? Would he support that kind of openness that is apparently allowed in Mexico and the United States?

If we are to accept his argument that every single job loss could not be attributed to the Canada-U.S. free trade deal—of course many things happen in an economy—at the same time I am sure the member would agree that every single job created in the country since the Canada-U.S. free trade could not be attributed to the Canada-U.S. free trade.

Fourth, can he tell the House if he is aware if the government maintains any kind of list that on the one side he can attribute job gain to the Canada–U.S. free trade agreement and where he can rightfully attribute job loss due to businesses moving perhaps to the United States under the Canada–U.S. free trade? If he is aware of that, can he tell this House and does he think that information should be made available to Parliament? If it is not available, is that not something this government should be doing if it is so proud of the Canada–U.S. free trade so that it can try to prove its point?

Mr. Soetens: Madam Speaker, first I will talk about the North American free trade agreement. No, I have not seen the draft that he has asked for. I do not know which of the cabinet has seen it. To be fair, I have not gone and asked each one of them. Nor have I seen a press release that has indicated who has seen it. However I have every confidence that all of those involved in the North American free trade agreement have seen it, whether it be the Secretary of State for External Affairs or the Minister for International Trade. I think that is certainly appropriate.

Does the member believe we should release it to the House and to the public? He has indicated that it is available in Mexico. If he thinks it is important that he see it, I suppose he should call his friends in Mexico which the member from Spadina indicated he had down there. I am sure they would be happy to share it with him. I do not think at this point in the negotiating stage that we need to necessarily release those documents in public. It is not standard practice.

The second item relates to job loss. The member is absolutely right. There are businesses closing. There are businesses opening. Those are functions of the economy. Those are functions of all kinds of factors within the economy, whether they be poor management, whether they be international trade competition, or whether it be simply a drying up of a market. For example, there is not a great demand any more for wringer washers out there. People want automatic washers. Those things are natural in the market.

I have seen a list of extensive new investment decisions in Canada. I do not know if they are simply related to the free trade agreement directly or whether it is because those people have decided Canada is an absolutely great place in which to invest because we have a good Conservative government and good economic policies. Part of those policies are in fact the free trade agreement with the United States.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I want to put this on the record. I would like to correct the member from the New Democratic Party.

Most Canadians know where the Liberal Party has stood on the free trade agreement. People will never forget that during the last campaign that the member of Parliament, our then leader, the hon. member for Vancouver Quadra debated clearly and won the confidence of Canadians on his debating skills when it came to free trade.

Regretfully the Business Council on National Issues and other associations bought full page ads in most of the major dailies saying that some of the things that our then leader said about free trade were not accurate. Those full page ads probably had more to do with this government regaining power than anything else I know of.

However that is history. We are here today and we are about to face another election campaign. The people of Canada should in no way, shape or form think that we are running away from this flawed document.

This free trade agreement is a flawed document. The records show that unfettered, unreviewed foreign investment in this country is not working. Statistics Canada and all the government agencies will show that beyond a shadow of a doubt.

The member for Ontario, for whom I have a lot of respect, said that we on this side of the House have a great capacity to deceive. Well, I want to let the member know that he is right when he cites that there are some winners in this free trade agreement. We have never run away from the fact that there are some winners. But there are a lot more losers and those losers tend to be the smaller and medium-sized manufacturers in this country. I too, like him, was a businessman. I worked for one of the most successful organizations in this country, Magna International. Eighty percent of our business was exports to the United States in auto parts.

We had a very productive labour force and they still have a very productive labour force and they are doing very well. Large companies like Magna, Dow and Dupont—I give them respect for this—only represent about 25 per cent of the employment in this country. A majority of the employment in this country is with the smaller and medium-sized businessman.

Right now this free trade agreement is not serving that sector of our economy. It is not serving it well at all. We have a situation right now where we have a crisis of confidence in this country because not only do we have 1.5 million unemployed and another two million on welfare, but those with jobs are afraid they are about to lose them.

Therefore, when the member talks about the benefits of free trade, he would be wise, in my opinion, to admit yes, there are some winners. He was the one who said there was a capacity to deceive. He should also admit that under this agreement there are losers. There have been lots and lots of American branch plants in Canada that through rationalization have been given direction from head office in the states to say: "Listen, we are no longer manufacturing in Canada. We are no longer going to do R and D in Canada. We are going to shut you down and all you will be is a distribution centre and a sales office". The members know that well.

Therefore to try and whitewash this, when even Simon Reisman in the last two weeks has said that the Americans are really taking advantage of this free trade deal, even he is beginning to have his conscience twinged—

Madam Deputy Speaker: I think the hon. member would allow 30 seconds for the hon. member to reply after a long intervention.

Mr. Soetens: Madam Speaker, I will try to be brief. Simply put I listed six companies which are all small, except for GE, in the size of the corporate entity. The other five were all small, privately owned, independently owned Canadian companies manufacturing in Canada that were successful.

I will leave it up to them to talk about the negatives. I am on the positives. Positives, BCNI, all successful people supported the free trade. Mel Hurtig, Maude Barlow, the Council of Canadians all failures. Mel Hurtig has just filed for bankruptcy. He had to sell his company before it failed. Whose advice do you want? Those who cannot make it or those who can? I take those who can.

[*Translation*]

Madam Deputy Speaker: It being 4 p.m., it is my duty to inform the House that pursuant to Standing Order 81(17), 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.

[*English*]

The hon. member for Moose Jaw—Lake Centre is not present to move the order as announced in today's *Notice Paper*. Accordingly that order will be dropped to the bottom of the order of precedence for Private Members' Business, pursuant to Standing Order 42(2).

[*Translation*]

It being 4.01 p.m., the House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 4.01 p.m.

HOUSE OF COMMONS

Monday, March 16, 1992

The House met at 11 a.m.

Prayers

Madam Deputy Speaker: It is my duty to inform the House of the unavoidable absence of the Speaker.

PRIVATE MEMBERS' BUSINESS

[*English*]

FOOD AND DRUGS ACT

MEASURE TO AMEND

Mrs. Beryl Gaffney (Nepean) moved that Bill C-279, an act to amend the Food and Drugs Act (breast prostheses) be read the second time and referred to Legislative Committee B.

She said: Mr. Speaker, I am delighted and honoured to introduce for debate today private member's Bill C-279, an act to amend the Food and Drugs Act (breast prostheses).

The purpose of this bill is to ensure that people are protected from dangerous and potentially dangerous breast prostheses. Bill C-279 would have a number of direct affects on the regulation of the breast prostheses industry.

First, it would create within the current Food and Drugs Act a specific category for breast prostheses apart from other medical devices. At the moment, the only devices that receive specific mention in the regulations are contact lenses and menstrual tampons.

These two items should, of course, be carefully regulated. But it seems very strange to me that they should be uniquely singled out while breast prostheses should be lost in the catch-all grouping of "any device designed to be implanted into the tissue or body cavity of a person for 30 days or more".

If breast implants are given individual mention, hopefully Health and Welfare Canada might re-examine its policy about other implants as well, ensuring the safety of still more Canadians, and specifically Canadian women.

Second, Bill C-279 would affect all breast implants regardless of when they became available on the market. When the current regulations to the Food and Drugs Act were introduced in 1982, products that were already on the market had no obligation to meet the new safety requirements.

The government has yet to produce the necessary evidence that would demonstrate that the Meme implant was one of these. In fact, to this day, the only proof supplied by the government to back up its claim that the Meme implant was on sale in Canada before October 8, 1982 is a series of advertisements in various journals dating back to that period.

Based on this meagre evidence, there was no obligation to question the safety of the Meme and, therefore, to conduct a full safety review. I might add that because of this, the Meme implant was really on the market in Canada illegally.

The Meme implant is widely used throughout Canada and is by far the most popular implant in the province of Quebec. Plastic surgeons like the Meme because it is much easier to implant than some of the others that are on the market.

Thousands of women across Canada have received these implants and many are very happy with the results that this medical device has achieved. Eighty per cent of those are within the province of Quebec. However, there are also many women who have suffered tremendously because of this product.

I wonder, would these women be in the situation that they are in today had the Meme manufacturers been obligated to prove the safety of this implant. Or would the manufacturers have been forced to modify the implant so that no woman would have to go through the hell that some of the implant recipients have endured.

The third effect of Bill C–279 would be to ban absolutely the specific category of breast implants that contain a degradable ingredient such as silicone that is likely to cause the presence in the body of a substance that the Food and Drugs Act prohibits.

It seems strange that the current regulations are not sufficient to protect women from substances that are prohibited by legislation, but it is clear from the evidence presented by groups such as I know/*Je sais*, that they are not.

Perhaps the most important effect that Bill C–279 will have is the indirect influence it will exert on the breast prosthesis manufacturers. When they realize that the Government of Canada is finally taking this issue seriously, they will be forced to make sure that any breast implant they make for distribution in Canada will have to be unequivocally safe.

I first introduced Bill C–279 in this House almost two years ago, in June 1990. At that time, the government already had overwhelming evidence there was a problem with the regulations as they stood. One of Health and Welfare's own scientists, Dr. Pierre Blais, had spoken out about the many dangers of the Meme implant as early as 1986. Yet two years later, this government still is waffling.

For anyone who is unfamiliar with the Meme implant, it is a breast prosthesis composed of a silicon gel contained inside a polyurethane foam covering. This is the same foam that you will find inside furniture cushions, carburetors or air conditioners, except in this case it is inside women.

Rather than removing the Meme implant from the market, the Minister of National Health and Welfare chose to remove Dr. Blais from the department. Dr. Blais was forced to resign in 1989.

In May 1989, the government commissioned a review of the safety of the Meme implant. The doctor commissioned to carry out the work, Dr. Carolyn Kerrigan, was a plastic surgeon from Montreal who used the implants herself. She implanted them in her patients and benefited from the Meme's continued presence on the market. This was not a very unbiased study, was it? There is no conflict of interest here.

Her results were: "There is inadequate evidence in the experimental and clinical literature to implicate polyurethane covered implants as initiators of human cancer".

• (1120)

"Inadequate evidence" that they were dangerous? How about adequate evidence that they were safe? In any case, cancer is certainly not the only health risk to humans. We now know that these implants can cause a variety of diseases from arthritis to kidney failure to failure of the auto–immune system as well as a series of ailments including persistent headaches, muscular inflammation, circulation disorders, back pains and skin diseases.

Five full years after Dr. Blais' first warnings, in April 1991, the Meme was removed from the market. Last month, Dow Corning, a major American manufacturer of silicone gel implants, released evidence that it has known the dangers of silicone gel implants for over two decades. That is more than 20 years.

The mandate of Health and Welfare Canada is to protect Canadians from health hazards. It is not enough for the Minister of National Health and Welfare merely to accept the evidence it is given by the manufacturer. It does not take a rocket scientist to see the conflict of interest that is involved here.

On January 8 of this year, in response to the actions of the food and drug administration of the United States, the government asked manufacturers to stop distributing silicon gel implants in Canada. Over a month later, on February 17, an advisory committee was established to study silicone gel implants. It could be months before the study is complete.

I am glad that the government is finally acknowledging that a problem exists. Why is it taking so long? Obviously there is a problem with the legislation as well as with the process.

Even now, rather than proceeding cautiously, the government is forging ahead with plans to speed up the approval of new products. Drug reviews are being contracted out to private consultants. Many of these consultants are being paid to conduct research for the very same companies that are being investigated.

The government policy at the moment seems to be "better sorry than safe". It is not enough to have biased opinions from plastic surgeons saying there is insufficient evidence to show that a product is dangerous. Canadian

women deserve more that that. They deserve legislated protection from less scrupulous manufacturers that may want to market unsafe breast implants in the future.

Each year, over one million Canadian women discover they have breast cancer. Many of these women have resorted to reconstructive breast surgery to try to ease the trauma of the painful and humiliating disfigurement that results. For some the cure is worse than the disease. Marcella Tardif was one such survivor. She had surgery for cancer. The implants she received following her surgery caused her physical pain long after she should have fully recovered.

Ms. Tardif started a support group for women who had suffered from breast implants. She found that she was not alone. Hundreds of women had been severely harmed by these implants. They have formed a support group that is called I know/*Je sais*. It has helped many women but the price has been very high.

Ms. Tardif has even received death threats for her attempts to get the government to do something. I myself have received a letter of threat. Obviously someone out there is very sensitive to the attention that some of us have tried to bring to this tragic issue.

It is also evident that Health and Welfare Canada is either incapable or unwilling to protect the women of Canada from unsafe medical devices. Therefore, these amendments to the Food and Drugs Act are very much required to put in place a legally binding process.

Every woman has a right to choose implantation, whether for cosmetic or reconstructive purposes. It is the government of Canada's unequivocal duty and responsibility to guarantee, to the best of its ability, that these women can fulfil that right safely. This bill takes a giant step in that direction and I can only hope that this government will have the common sense and the dignity to recognize these facts.

This is something I have been researching for two years. I do not take this issue lightly. I have spoken with experts in Canada. I have spoken with experts in the United States of America. The evidence is there. We have to make legislation or regulations. The Government of Canada has to protect these prostheses here in this country.

I urge this government to act upon this. This is not a votable bill, but I urge it to act upon this and to implement measures that will provide the safety for Canadian women.

Mrs. Dorothy Dobbie (Winnipeg South): Mr. Speaker, the Department of National Health and Welfare recognizes the importance of ensuring that dangerous or potentially dangerous breast prostheses are not sold in Canada. We also acknowledge that this is the intended purpose of Bill C-279 proposed by the hon. member.

However, Bill C-279 overlooks some important facts. The regulatory authority of the Food and Drugs Act and medical devices regulations is now comprehensive in ensuring that all medical devices meet the level of assurance that is being proposed.

But because many breast implants along with hundreds of other medical devices were on the market when the current regulations came into effect the manufacturers were not required to comply with some of the regulatory steps described below. But things have changed. The important elements of the hon. member's proposal are now already included in the current legislation.

Breast prostheses are regulated under the authority of the Food and Drugs Act. This legislation pertains to all medical devices including breast prostheses. To ensure that unsafe and ineffective medical devices are not sold in Canada the Food and Drugs Act prohibits any person from selling any medical device, including breast prostheses, that when used according to directions or under such conditions as are customary or usual, may cause injury to the health of the purchaser or user.

It prohibits any person from labelling, packaging, treating, processing, selling, or advertising any medical device in a manner that is false, misleading or deceptive, or is likely to create an erroneous impression regarding its design, construction, performance, intended use, quantity, character, value, composition, merit or safety.

The Food and Drugs Act provides authority for designated inspectors of health and welfare to enter at any reasonable time any place where medical devices are manufactured, prepared, preserved, packaged or stored.

Inspectors may examine anything used in conducting tests on a medical device. They also have the authority to sample, seize, detain or make copies of documents if they believe that the Food and Drugs Act or the regulations have been contravened.

The act also requires every medical device to be labelled and packaged in accordance with the medical devices regulations and to conform to prescribed standards. These broad provisions ensure that unsafe and ineffective medical devices are not sold in Canada.

Every medical device poses a degree of risk. However, those medical devices which pose an unacceptable health risk to Canadians are prohibited from being sold.

The definition of a medical device as stated in the Food and Drugs Act includes any article, instrument, apparatus, or contrivance, including any component, part, or accessory thereof manufactured, sold or represented for use in (a) the diagnosis, treatment, mitigation or prevention of a disease, disorder or abnormal physical state, or the symptoms thereof in man or animal, (b) restoring, correcting, or modifying a body function or the body structure of man or animal.

Breast prostheses are included in the definition of a device under the act. Therefore these products are subject to the many regulatory provisions of the act and the medical devices regulations.

The hon. member's bill proposes to include a new definition for breast prostheses which parallels, if not duplicates, the definition of a medical device already found in the act.

Both describe the product as an article, instrument, or apparatus or contrivance. Both include any component, part or accessory of a product. Both definitions relate to modifying, correcting, or restoring the body structure.

If breast prostheses are included in the definition of a medical device, then one must ask why it is necessary to have a separate definition for this specific device.

• (1130)

Obviously, the hon. member by introducing this bill wishes to introduce new legislative elements specific to breast prostheses. However, these important elements are already entrenched in the current legislation.

This proposal seeks to establish conditions which, if satisfied, would permit the sale of breast prostheses in Canada. The provisions require that tests must be conducted in respect of the device.

The medical devices regulations already require the testing of all medical devices before they are sold. Every manufacturer must conduct tests on the medical device and the test must indicate the benefit and the performance claimed for the device are justified.

Members will be aware that the products on the market were excluded from this requirement and that several breast prostheses were in effect grandfathered when the new legislation was passed. Any new breast implant being introduced would have to submit an indication that such tests had been done if they were currently being introduced.

This bill seeks to provide the Governor in Council with authority to make regulations respecting, among other things, the circumstances and conditions under which breast prostheses may be advertised.

I wish to point out once again that this authority is already provided for in the current legislation.

The Food and Drugs Act gives the Governor in Council the authority to make regulations respecting the offering, exposing and advertising for sale of any device to prevent the purchaser or the consumer of the device from being deceived or misled in respect of the design, construction, performance, intended use, quantity, character, value, composition, merit or safety of the device or prevent injury to the health of the purchaser or consumer. Over and above this, the Department of National Health and Welfare produced a handbook available to women considering breast implantation.

This bill makes further proposals which include first, requiring the department to issue the manufacturer of breast prostheses a notice of safety compliance which acknowledges that the prostheses is considered to be safe and effective for its intended use.

Second, the bill proposes banning the sale, manufacture or importation of breast prostheses which contain dangerous properties thereby ensuring that Canadians have access to safe breast implants.

These objectives are important to the government. The regulatory authority of the Food and Drugs Act and medical devices regulations is comprehensive in ensuring that these vital objectives are fulfilled.

Under the authority of the medical devices regulations a notice of compliance is required from the Department of National Health and Welfare prior to the sale of any new breast prostheses in Canada.

The issuance of a notice of compliance signifies that the department has received sufficient clinical and physical testing data to be satisfied that the medical device being reviewed does not pose an unacceptable risk to health.

The requirements contained in the regulations under the authority of the Food and Drugs Act ensure that the meaningful objectives of the hon. member's bill are achieved.

It is important to point out once again that no medical device is free of risk. The Department of National Health and Welfare reviews and assesses the data respecting the safety and effectiveness of implantable medical devices such as breast prostheses prior to their sale to ensure that unsafe and ineffective devices are not sold in Canada.

The second objective of the proposed bill concerns the banning of breast prostheses which contain dangerous properties including specified prohibited substances or are prescribed under regulations at a later date. This is not a new provision when considering the authority of the current Food and Drugs Act.

Section 19 of the Food and Drugs Act clearly prohibits the sale of any medical device that when used according to directions or under such conditions as are customary or usual may cause injury to the health of the purchaser or user.

The hon. member's proposal does not allow for risks and benefits to be considered and assessed. Instead the proposal requires that implants be banned entirely.

The Department of National Health and Welfare undertakes a scientific risk assessment approach when considering the safety and effectiveness of medical devices. This approach enables the department to assess fully the health risk by a substance present in a medical device. If a medical device poses an unacceptable health risk which may cause injury to the health of the purchaser or user, it is prohibited.

In closing, I hope that I have illustrated that the regulatory provisions currently provided in the Food and Drugs Act and medical devices regulations are comprehensive in addressing the safety and effectiveness of all medical devices including breast prostheses.

The concepts proposed by the hon. member through Bill C-279 are considered to be vitally important, but breast prostheses—

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. The hon. member for Mission—Coquitlam.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I was looking forward to rising and having a very factful and important debate on the subject of breast implants. I was looking forward to it a great deal. I expected that I could put forward some information that would be useful to the discussion and that would in fact help the government.

However, I have heard the hon. member for Winnipeg South, after two or three years of the opposition raising this question in the House of Commons, sanctimoniously say the legislation is adequate and sanctimoniously provide us with words like this is there to take care of any company that brings forward a product in a false, deceptive way, whose competition and merit and safety, et cetera are in question.

We have given two years of evidence in this House that this implant is not safe, that all implants are not safe. We have given indication after indication. We have met with the minister. We have provided him with documentation. We have had doctors in addition to Pierre Blais, who the government up and fired. We have provided documentation to the minister. In fact, what happens? Unsafe and ineffective medical devices, which this hon. member for Winnipeg South says will not be on the market and there are provisions to ensure they will not be on the market and are still on the market.

Do not be mistaken. We do not have a ban on implants in Canada. We have a voluntary moratorium on the use of implants. The day before the report was tabled with the food and drug administration calling for a ban on silicone implants except for reconstructive purposes, we had plastic surgeons in Quebec holding a press conference telling Canadian women breast implants were safe.

I have some real concerns about the effect of voluntary removal of breast implants from the marketplace when we have plastic surgeons insisting that they are safe. We know that the two companies, the company that produced the Meme implant, Surgitek, and the company that produced the majority of the silicone gel implants, Dow Corning, have withdrawn their products from the market. There are an awful lot of implants still lurking around in closets, in hospitals and doctors' offices that are available for use.

The sanctimonious, arrogant response from the member for Winnipeg South goes beyond the pale.

This piece of legislation proposed by the hon. member for Nepean is designed to clarify regulations to ensure that the problems experienced with this kind of implant do not happen again.

There is some speculation that some people from the company of Union Carbide for example were supplying silicone to Dow Corning in bulk. This is speculation. We do not have the entire proof, but we have some pretty exciting documentation. The company believes that the silicone gel used for the implants cannot be purified. Therefore, we have women with implants already in their bodies running the risk that they may fail and will have unpurified silicone gel running through their systems.

Strict labelling is useful but I have yet to talk to one woman who has had a breast implant who has been shown the label before she goes into surgery.

If I had any concerns about the legislation before us it is this. This legislation, according to the comments of the hon. member for Nepean in this morning's *Ottawa Sun*, calls for manufacturers to be the first to ensure that any breast implant is unequivocally safe. "This bill puts the onus on the manufacturer", it says.

• (1140)

It has been our experience in fact that manufacturers are the people who have been lying to us about the safety of these implants. They have not proven that they are safe. I would hope that this government would take its responsibility seriously and go beyond this bill. It should not rely on manufacturers but should listen to independent scientific study and studies in its departments to ensure that breast implants are safe.

Canada's slowness and Canada's ineptitude on this issue has created a situation where it is laughed at by the United States. The record of the United States is not much better.

We have been raising this issue in the House of Commons since before 1988 and we raised it regularly. I have asked to no avail in question after question in this House for the government to move on this matter.

Finally, after three attempts, our minister had a meeting last July with Marcella Tardif, Linda Wilson, and myself on the subject of breast implants. At that meeting, after he had told these women they were isolated cases, I know/*Je sais* was formed.

In Quebec we had a meeting of 250 women. A couple of weeks ago and we had a meeting in Vancouver of 150 women. All those women were in pain, all were worried, and are desperate for sensitive medical help.

In addition we know that I know/*Je sais* has grown. In addition to Marcella Tardif in Quebec and Linda Wilson in B.C., Janet Fontaine in Ontario and Laurie Dobson in Alberta have formed an I know/*Je sais*.

We are facing a serious situation. The problem we are facing is that we are waiting for a report from Dr. Baines, the woman who said when watching the food and drug administration committee at work that the women who were complaining about this were the squeaky wheels trying to get the grease. She said that we were more concerned about lawsuits and winning lawsuits than we were about women's safety. This is the person we are relying on to come back to the House of Commons and to the minister to tell us whether or not breast implants should go on the Canadian market. I would say that Dr. Baines' position on this issue is somewhat suspect because she has made it very clear that she has no respect for us.

In fact those of us in this House from the opposition who raised this issue of great concern have been accused of being medical terrorists. I would say that those who are willing to continue to experiment on Canadian women should be considered medical fascists. We remember what happened to women in the 1940s used in testing and experimentation.

I know I have very little time and there is so much to say, but I just want to refer to a couple of concerns raised by women in their letters to me. One said: "I had a silicone breast implant inserted in 1974 in Vancouver. The plastic surgeon mentioned no risks and never did it occur to me that the implants would bleed silicone into my system. I have been sick chronically for the past 10 years at least, going from doctor to doctor, even a psychiatrist to no avail. Finally I have just been living in silent misery".

A woman, also from B.C., wrote: "I am writing concerning breast implants and their safety. I wish the Canadian government had responded earlier with legislation indicating that they really had the interests and safety of women in mind rather than waiting until pressure was applied by women who had seen what happened in the U.S. regarding this bill".

I do not want to take the time to read the other letters, but I have a thick file folder of letters from women regarding breast implants. I want to say that one of them told me she is contemplating suicide because she cannot get a disability pension. Nobody considers the condition a person ends up with from a failed implant or from side effects from the implant a disability or an illness. There are serious problems that have to be addressed by the government.

I have a chronology of events I would love to go through on this issue. I have it in both official languages, but I would hope, in concluding my remarks, that we could have all-party agreement for me to table the chronology of events on this issue.

The Acting Speaker (Mr. Paproski): Is there agreement.

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): There is no agreement.

The hon. member for Calgary Southwest on debate.

An hon. member: What about rotation?

The Acting Speaker (Mr. Paproski): In Private Members' Business there is no rotation, but I will do whatever hon. members want. If they agree that is fine.

The hon. member for Hamilton East can have the floor and I believe that she is going to split her time with the hon. member for Halifax.

The hon. member for Hamilton East has five minutes.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I appreciate your indulgence.

I guess there is not a woman in this country, that includes women on all sides of the House, who does not fear the threat of breast cancer. The statistics are there and my colleague, the member for Nepean, has raised them again, again and again as have other members of the House.

One million Canadian women can expect to contract breast cancer this year. The statistics on death are equally as staggering. I dare say there is not a woman in this House who does not have a relative or a close friend who has been the victim of this insidious disease.

One of the reasons we have to unanimously support this bill, notwithstanding the comments of the previous member, is that we have to send a message to the Minister of National Health and Welfare that women's bodies are not the subject of experimentation.

The onus and burden of proof should not be on the woman to show that she is being maimed and dying because of a breast implant. Rather, the onus and the burden of proof should be on the manufacturer.

My colleague, the member for Nepean, made a number of very telling points in her speech. The one point that she made in passing that bears repeating is that she and others have faced actual threat for raising this issue.

I would like to read a letter into the record that I think bears repeating. It is a letter written by—

[*Translation*]

—Réal Laperrière Inc., already known for its public comments and I quote:

Madam:

It is with amazement that I read the stupid allegations you have made concerning breast implants.

I challenge you to repeat them outside the House of Commons, if you are brave enough to do so, which I doubt.

Before making such stupid statements, you should first check the Kerrigan Report, which was commissioned by Health and Welfare Canada.

It is a good thing—

and that is the most important part, Mr. Speaker.

—that ridicule has never killed anyone, you would be long gone.

This letter was sent to a member who is responsible in this House for women's health. And this letter refers to the report by the Minister of National Health and Welfare, this phoney report produced in spite of all the evidence heard even from within his own department.

I think it is obvious from this letter and from all the evidence heard and the proofs provided to this House that now is not the time to back down and shrink away from this problem. Now is the time to recognize that it is the Minister of National Health and Welfare's direct responsibility to protect women's health, especially considering that the manufacturers of this product are still distributing it on the market and that even a "voluntary recall" will not stop them.

[*English*]

These distributors, the people who are out making a buck on the bodies of women, are not going to be stopped by a voluntary recall. They need a very specific message. That message should come from the minister of health and should say to the likes of Réal Laperrière, who frankly is a disgrace to the profession of medical distribution, that we do not take threats lightly in this House of Commons.

[*Translation*]

The person receiving those threats in Montreal does not take them lightly. It is a very serious matter. And it is incumbent upon the Minister of National Health and Welfare to make sure once and for all that he is going to put the health of women before the interest of manufacturers. What is more important, our health or a manufacturing process that results in such a disaster?

• (1150)

One million Canadian women will be faced with cancer this year. It could hit me or another female member in this House, who knows? We at least want to be sure that our government is going to protect us. At present, the minister of health is not protecting us, quite the contrary. If it were testicular cancer or another form of cancer affecting the male members of this House that we were dealing with, I am convinced we would not have had to wait two or three years after Dr. Blais' resignation to at least do something about it.

Therefore, I urge all of you to support this bill as presented by my hon. colleague.

[*English*]

Ms. Mary Clancy (Halifax): Mr. Speaker, I am very happy to stand in this House today and support the private member's bill of my colleague, the hon. member for Nepean, but I am very sad that it is necessary to do so.

Ever since I first became involved in this issue several years ago one sentence has been running through my head, and that sentence is: Show me the studies that show Canadian women that these implants are safe. It is a very simple phrase.

I have listened in committee. I have asked questions of experts on all sides of the issue, and the question I have posed over and over again is: Where are the studies that reassure Canadian women that these implants are safe? Is this a difficult concept? Is this something that is impossible to do?

Since this controversy arose we have discovered that Canadian women, and American women too, have been used in a political battle that is frightening in its ramifications. Last week some of us visited the United States and spoke with both legislators and staffers in Washington about this issue. We have heard that women who had breast implants, particularly those who had them in a post-mastectomy situation, have been particularly used by special interest groups, including their own doctors.

As my colleague from British Columbia said or my colleague from Nepean, or possibly both, "the silicone implant is particularly popular with doctors because it is easy to implant". Certainly we have no difficulty with that. But is "easy to implant" enough when we know that there are 6,000 women in this country alone who are having severe difficulties with this prosthesis? Is 6,000

women statistically insignificant to the members opposite?

I know that members opposite care what happens to the health of people in this country, but we have been subjected over the years with regard to breast implants to a question of smoke and mirrors. We have been told over and over again by people who have a vested interest in their success that they are successful and voices like the voices of I know/*Je sais* are crying out in the wilderness and not being listened to. Again I ask: Where are the studies?

We supposedly have a department of health and welfare that is one of the finest in the world. It has protected Canadians on many occasions from drugs and other medical equipment that would be inappropriate. Where was it this time?

If there are studies, let the minister of health or let the parliamentary secretary to the minister of health, or let somebody on the government side come forward and table those studies so we can see them. The answer to the question is that there are no studies. There are no studies to prove that the implants are safe and there are no studies to prove that they are not harmful, and there is a dichotomy between those two.

We do not have studies. There were studies commissioned in the United States, of which we heard from various Congress people when we were in Washington last week, that fell apart within months of being commissioned, that lost half of their participants because of poor follow-up and because of no budget.

We have smoke and mirrors. We have people saying yes, they are safe and no empirical evidence to back this up.

There is not a great deal that we ask in this. We merely ask that the government show us that the Department of National Health and Welfare at the Health Protection Branch is indeed doing what it is supposed to do and that is protecting Canadian women. That is what the bill my colleague for Nepean is bringing forward and wants to do. It is a tragedy that it is not a votable bill.

What we want to know is where are the studies and show us now.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I do want to emphasize that the health and safety of Canadian women are paramount and the subject of breast prostheses is a very important and a very current one.

The importance of ensuring that breast implants sold in Canada do not pose an unacceptable risk to health has been a concern of the Department of National Health and Welfare for many many years and it will continue to be. However, the legislative regime of ensuring that unsafe and ineffective medical devices are not sold in Canada should not be specifically tailored to one class of a medical device as is the case with this proposed bill, Bill C-279.

Let me make it very clear that every medical device does have some sort of degree of risk associated with it. Canadians choose to use medical devices including heart valves, pacemakers, X-ray machines, breast implants because the benefits associated with the device outweigh the risk to health. Canadians do benefit from medical devices in the form of increased mobility, longevity and the quality of life.

The health of women who have implants is the priority concern of the minister and of the department. The department has published a "Dear Doctor" letter advising all doctors across the country of the status of breast implants in Canada. Doctors have been kept informed and they have been kept up to date. A hotline was established to advise women. Last November, the department also identified specific labelling requirements for silicone gel-filled and saline-filled breast implants. Manufacturers of breast implants have been advised that specific cautions and warnings must be part of the labelling of all these products. This information assists women in consultation with their physicians to make informed decisions about the risks associated with breast implants.

There are a number of risks which are required and must be explained as part of labelling. This labelling information forms part of the type of information that is required to comply with the existing medical devices regulations. Manufacturers are advised that patients considering silicone gel-filled and saline-filled breast implants should receive information pointing out the

risks associated with surgical procedures. As well, they should be advised on specific risks associated with capsular contracture calcium deposits, rupture of the implant, changes to breast sensation and interference with mammography. This information is required as part of the labelling of every breast implant sold in Canada today. It forms part of the information necessary for all women, with their physicians, to make informed decisions regarding implantation.

All of these efforts are directed to providing information for any health risk associated with these devices to women, to their physicians and to the Canadian public in general. Information of this type enables all women to make informed choices regarding breast implants. The hon. member's bill, however, would ban certain breast implants if they contained any amount of a prescribed substances without the benefit of scientifically evaluating the risks and the benefits of the medical device, and every device has an element of risk. It is the evaluation of that risk weighed against the possible benefits which ensure—

• (1200)

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired.

Mrs. Gaffney: On a point of order, Mr. Speaker. I think that most members in this House will agree that we have been discussing a very important topic this morning and I would like unanimous approval of the House to continue the debate on this bill.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-13, an act to establish a federal environmental assessment process, as reported (with amendments) from Legislative Committee C.

SPEAKER'S RULING

Madam Deputy Speaker: There are 35 amendment motions for report stage of Bill C-13, an act to establish a federal environmental assessment process.

[*English*]

Motions Nos. 1, 3, 8, 9, 10, 12, 13, 14, 15, 17, 23, 24, 25, 27, 28 and 35, standing in the name of the Minister of the Environment, all propose technical corrections to one language only. They will be grouped for debate, with a vote on Motion No. 1 being applied to the other 15 motions.

Motions Nos. 2, 4, 5, 6, 7, 16, 20 and 26, standing in the name of the Minister of the Environment, propose technical changes, notably to bring the text of the bill into conformity with amendments made at the committee stage or to correct discrepancies within the bill. They will be grouped for debate, with a vote on Motion No. 2 being applied to the other seven motions.

[*Translation*]

Motions Nos. 11 and 18, standing in the name of the hon. member for Davenport, will be grouped for the purposes of debate but voted on separately.

Motions Nos. 19 and 29, also standing in the name of the hon. member for Davenport, will be grouped for debate. The vote on Motion No. 19 will apply to Motion No. 29.

Motions Nos. 21, 22 and 30, standing in the name of the Minister of the Environment, will be grouped for debate. The vote on Motion No. 30 will apply to Motions Nos. 21 and 22.

[*English*]

Motion No. 31, standing in the name of the hon. member for the Battlefords—Meadow Lake will be debated and voted on separately.

Motion No. 32, standing in the name of the hon. member for the Battlefords—Meadow Lake, motion No. 33, standing in the name of the hon. member for Davenport and motion No. 34, standing in the name of the Minister of the Environment, will be grouped for debate. Motions Nos. 32 and 33 will be voted on separately. An affirmative vote on motion No. 32 will obviate the need for a vote on motion No. 34, while a negative vote on motion No. 32 will require a vote on motion No. 34.

[*Translation*]

MEASURE TO ENACT

Hon. Benoît Bouchard (for the Minister of the Environment) moved:

Motion No. 1.

That Bill C-13 be amended in the French version of the preamble by striking out lines 2 to 6 at page 1 and substituting the following therefor:

"que le gouvernement fédéral vise au développement durable par des actions de conservation et d'amélioration de la qualité de l'environnement ainsi que de promotion d'une croissance économique de nature à contribuer à la réalisation de ces fins;"

Motion No. 3.

That Bill C-13 be amended in the French version of Clause 5 by striking out line 13 at page 8 and subtituting the following therefor:

"ses règlements,".

Motion No. 8.

That Bill C-13 be amended in the French version in Clause 11 by striking out line 13 at page 10 and substituting the following therefor:

"11. (1) Dans le cas où l'évaluation envi-".

Motion No. 9.

That Bill C-13 be amended in the English version in Clause 11 by striking out line 24 at page 10 and substituting the following therefor:

"made, and shall be referred to in this Act as".

Motion No. 10.

That Bill C-13 be amended in the French version in Clause 15 by striking out lines 28 to 37 at page 12 and substituting the following therefor:

"(3) Est effectuée, dans l'un ou l'autre des cas suivants, l'évaluation environnementale de toute opération—construction, exploitation, modification, désaffection, fermeture ou autre—constituant un projet lié à un ouvrage:

a) l'opération est proposée par le promoteur;

b) l'autorité responsable ou, dans le cadre d'une médiation ou de l'examen par une commission et après consultation de cette autorité, le ministre estime l'opération susceptible d'être réalisée en liaison avec l'ouvrage."

Motion No. 12.

That Bill C-13 be amended in the French version in Clause 20 by striking out lines 16 to 18 at page 17 and substituting the following therefor:

"(iii) si les préoccupations du public le justifient."

Motion No. 13.

That Bill C-13 be amended in the French version in Clause 23

(*a*) by striking out line 39 at page 18 and substituting the following therefor:

"res d'atténuation indiquées, la réalisa-";

(*b*) by striking out line 9 at page 19 and substituting the following therefor:

"indiquées, que le projet soit suscepti-";

(*c*) by striking out line 14 at page 19 and substituting the following therefor:

"nuation indiquées, est susceptible".

Motion No. 14.

That Bill C-13 be amended in the French version in Clause 28 by striking out line 35 at page 20 and substituting the following therefor:

"mesures d'atténuation indiquées, entraîner".

Motion No. 15.

That Bill C-13 be amended in the French version in Clause 29 by striking out line 32 at page 21 and substituting the following therefor:

"tivement à cette question et soumettre celle-ci à".

Motion No. 17.

That Bill C-13 be amended in the French version in Clause 30 by striking out line 39 at page 21 and substituting the following therefor:

"(i) impartiale, non"..

Motion No. 23.

That Bill C-13 be amended in the French version in Clause 48 by striking out line 7 at page 32 and substituting the following therefor:

"l'égard duquel aucune attribution visée".

Motion No. 24.

That Bill C-13 be amended in the French version in Clause 50

(*a*) by striking out line 17 at page 35 and substituting the following therefor:

"nuation indiquées, la réalisation du projet";

(*b*) by striking out line 33 at page 35 and substituting the following therefor:

"tion indiquées, la réalisation du projet n'est".

Motion No. 25.

That Bill C-13 be amended in the French version in Clause 51

(*a*) by striking out lines 16 and 17 at page 36 and substituting the following therefor:

"tion des mesures d'atténuation indiquées, la réalisation du projet n'est pas";

(*b*) by striking out line 26 at page 36 and substituting the following therefor:

"des mesures d'atténuation indiquées, la";

(*c*) by striking out line 30 at page 36 and substituting the following therefor:

"qu'ils sont justifiables dans les circonstances."

Motion No. 27.

That Bill C-13 be amended in the French version in Clause 55 by striking out lines 38 and 39 at page 40 and substituting the following therefor:

"*l'accès à l'information* s'appliquent, avec les adaptations nécessaires, à toute"..

Motion No. 28.

That Bill C-13 be amended in the French version in Clause 58

(*a*) by striking out line 13 at page 42 and substituting the following therefor:

"indiquées, est susceptible d'entraîner des";

(*b*) by striking out lines 12 to 14 at page 43 and substituting the following therefor:

"de codes de pratique, d'accords, de critères ou d'arrêtes établis en application du présent article, ainsi que la possibilité, pour quicon-".

Motion No. 35.

That Bill C-13 be amended in the French version in Clause 72 by striking out line 7 at page 50 and substituting the following therefor:

"lors de cette entrée en vigueur."

[*English*]

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, first of all let me say to the House that it is a pleasure to be able to participate in our discussions today in my capacity as Parliamentary Secretary to the Minister of the Environment and also to express to the House his regrets that he cannot be present during the course of today's discussions due to commitments that take him to an important conference, the Globe 92 Conference, and to a meeting of the Canadian Council of Ministers of the Environment which is taking place during the course of the week.

The amendments which are grouped together before us at this stage are technical amendments. They are designed to correct some grammatical errors that were there in the latter stages of our process. In most cases they are designed to ensure that the French text is complete and accurate and so I do not think there are any areas of contention in respect to the amendments which are before us. I would like to take this opportunity, although perhaps I will do so again, to thank the members of the committee. As the committee knows we have been working on this legislation for many months.

An hon. member: Years.

Mr. Clark (Brandon—Souris): My hon. friend says years. I say however with total conviction that the legislation which is before us is better legislation as a result of the extensive debate and study which took place. As we will see during the course of the day, a number of the amendments brought forward by the government are in fact an acceptance of amendments offered by various members of the committee. Indeed, although they are in the name of the Minister of the Environment in a very real sense members of the committee will recognize that they played a very significant role in that process.

I will come back to this at a later point, but I would like to thank those members for their very active work and for their co-operation. I think as a committee we set some sort of a model in terms of our ability to work together. We also called upon the assistance of two lawyers provided to us by the Canadian Environmental Network in the latter stages of our process which I think was a significant step and one which I suspect will be adopted by this committee and perhaps other committees in the future.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, having read both the English and the French versions of the bill I believe that these "technical amendments" raise very important points of principle and I would like to speak to those and I also would like to reply to the parliamentary secretary.

[*Translation*]

Bill C-13 will have a major impact on Canada's environmental future. Environmental assessment lies at the heart of a major effort at consciousness raising. The global ecosystem is not an inexhaustible resource.

That is why we unreservedly support the principle of an environmental assessment law for Canada. Furthermore, the Brundtland report considers impact studies to be a key to sustainable development.

If the experience of eastern Europe can teach us one thing, it is that blind development at the expense of environmental quality is not really development at all, since it is only short term and cannot last.

• (1210)

That is why the time has come to completely rethink our approach to development and the progress associated with it, because human progress depends on a healthy planet.

[*English*]

The bill we are examining today is the child of several years of court cases which have forced the government into action. It is also, as the parliamentary secretary said, the child of almost two years of intense work in legislative committee, work which transformed the bill before us from toothless legislation into something that at least has baby teeth.

The process of creating this bill was in itself unusual. We Liberals were strongly opposed to the original legislation. We heard from several dozen witnesses following second reading. These witnesses from industry and from environmental groups agreed with us. To its credit, I must say, and I would like to compliment the parliamentary secretary, to his credit, the government chose to heed many of the concerns that had been so strongly expressed and introduced substantial amendments.

In effect, as a result of our committee work, of which the parliamentary secretary was a vital cog, we were practically dealing with a whole new bill.

The committee then called a dozen witnesses to comment on the proposed amendments. Their interventions once again substantially influenced the bill. When the final clause by clause review began, as was just said, we were again involved with two special witnesses who shared with us their significant expertise in environmental law. The result is this bill which is being reported on today.

We must remember the context within which this legislation has been developed. It comes after several years of intense controversy regarding the environmental assessment of major projects; Rafferty-Alameda, Oldman, ALPAC, Kemano, Point Anconi. The ongoing charade regarding these projects has resulted in deep public scepticism as to the integrity of the environmental assessment process. It has created widespread planning uncertainty in the public and the private sectors.

What we have virtually had in the last few years is environmental assessment through court order. In January of this year the Supreme Court of Canada delivered the final judgment on a string of court rulings on the application of the EARP guidelines. They affirm that the federal government has substantial constitutional powers to undertake environmental assessments.

We now have legislation before this House. This legislation will provide a predictable framework for project assessment. However, let me state that what is before us is far from the state of the art on environmental assessments. There are a number of fundamental conceptual flaws in the bill.

Let me enumerate a few. It does not apply to government programs and policies. It does not provide for compulsory intervening funding. It does not require the integration of environmental considerations such as the need for a project. It does not require alternative responses early enough in the planning process. It leaves the power to give the go ahead on a project to the minister with the most vested interest. It includes no direct mechanisms for the effective enforcement of the terms and conditions for product approval.

To begin with, we believe that the preamble of the bill should cite the peace, order and good government clause of the Constitution as a basis for proceeding. The Supreme Court ruling on the Oldman River dam determined that the earlier guidelines fell within the POGG power. This was a very significant interpretation and we believe it should be reflected in Bill C-13.

We also regret that the government has restricted application to the assessment process to physical works alone and did not include programs and policies. The past year has shown that a legislative basis is needed for environmental assessments of policies and programs. In June 1990, when this bill was first introduced by the then minister, the present Secretary of State, he promised that all proposals going before the federal cabinet would be subject to an internal environmental assessment. He promised that a statement on the environmental implications of new policies and programs would be made public at the time the cabinet initiative was announced.

Twenty-one months have passed and we have yet to see a single policy assessment announced. The current Minister of the Environment has stated again and again that these reviews have not been conducted because developing the methodology is very complicated.

It is not hard to interpret this as meaning that the government did not realize the implications of the statement of the now Secretary of State of Canada that it is delaying and stalling for time.

It is clear to us that just as this government had to be dragged kicking and screaming through the entire Canadian judicial system before it would implement project assessments, there needs to be a legally enforceable method for keeping its promise on policy assessments.

This act does not include the most basic principle of a truly participatory assessment system, a mandatory intervening funding program. While it gives the minister the power to establish such a program, it is purely discretionary.

Liberals view intervener funding as critical to the entire environmental assessment process. It vastly improves the decisions made and is one of the few avenues in society for public participation in the decisions regarding major project developments.

Individual Canadians are far ahead of their governments in their concern for environmental protection and in their desire for full and open government empowering people to protect the environment. To participate in environmental decision-making is key to moving toward a sustainable economy and building public understanding of the changes which need to be made.

Intervener funding is pivotal to this legislation. The examination to continue of the need of possible alternatives to a project is not applied at screening stage under this bill. Yet integration of environmental considerations and initial planning is essential to an effective assessment regime.

By limiting the consideration of need and alternative methods of meeting this need to the comprehensive study stage, environmental considerations are imposed retroactively after the project proposal has been developed. We also regret the responsible minister was given so much power to decide whether the project should go ahead.

Bill C-13 limits the environmental assessment panel to making only recommendations to the Minister of the Environment and the minister who is ultimately responsible. It leaves it entirely up to that minister, the latter, the responsible minister to determine what course of action should be taken following consideration of the review panel's report. This structure is open to inappropriate political considerations and political interference.

Liberals support a more independent structure. We support an independent agency which would administer and enforce the federal environment assessment process. It would report directly to cabinet. It would have the authority to improve an initiative, refer it to mediation or a panel for public hearings, or deny approval. Its decision in the end would then be subject to appeal to cabinet.

Finally, we are concerned that the bill includes no mechanism for effective enforcement of the terms and conditions of approval where a project has been approved.

In conclusion, I see this bill as a step forward, a step out of the quagmire of environmental assessment by court ruling. It will provide greater certainty for all players in Canada.

That being said, however, it is very clear that a future Liberal government will have to make many changes to this bill if it is to be truly of use as an instrument for promoting environmentally sustainable development.

Those are my comments on the technical aspects of the changes being made.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, it has been some time in coming, getting Bill C–13 on to the floor of the House of Commons.

I for one have been with this process almost from the beginning including my appointment to the pre–study committee that considered Bill C–78, this bill's predecessor, so I am very happy to see it come to this stage.

I am also very happy to see the changes that have been added to this bill since the initial drafting occurred. I have a number of introductory remarks to make at this stage. Before I do that I just want to express one concern on the process that has occurred here in bringing the bill to the floor of the House today.

• (1220)

Of all the weeks in the year for the government to call this bill, it chose the one in which the Minister of the Environment has other commitments outside of Ottawa. He is attending Globe 92, a very important and interesting environment conference. The dates of the conference have been known for many, many months.

It just so happens that while this bill has been ready to be called to the House at report stage for some time now, this is the week that has been chosen.

I am most disappointed that despite all the work the Minister of the Environment has done to get us to this point that he is unable to be with us here today to see the conclusion of his and our efforts through the departmental and committee stages of this bill.

Before getting into the specifics of the amendments and later on the bill, I want to mention that I have a great deal of thanks for the Minister of the Environment for the direction he has allowed this bill to take.

He has been counselled very well by members of his staff, by departmental officials and in particular by members of FEARO and Department of Justice officials. The Parliamentary Secretary to the Minister of the Environment has been most helpful during the committee stages.

I was most happy to work with the parliamentary secretary and officials from the Federal Environmental Assessment Review Office. The president, Michael Dorais, and the vice–president, Karen Brown, have been most helpful throughout the whole developmental process. From the Department of Justice, I would very much like to thank Beverley Hobby for the work she was able to provide to all of us at the committee stage to get us to this point.

As my Liberal friend noted earlier the committee was aided in its work by two environmental lawyers. This is a first, I believe, for committee work in the House of Commons. The committee was very well served by Bill Andrews from the West Coast Environmental Law Association and Brian Pannell from McJannet, Rich in Winnipeg who provided their expert assistance during the amending process of the bill.

Obviously, any member of this House who has a chance to read Bill C–13 and compare it to former Bill C–78 would know of the vast differences between the two bills and the excellent contribution that both those individuals gave to us. It is a credit to the committee chair for allowing this process to fall into place and to be used.

I also want to have on record my particular and personal thanks to Louis–Philippe Côté from the Library of Parliament who was of great assistance in writing amendments for my side of the table and to my own staff and the research staff of my party, Bruce Tate and Sue Wilms, who have provided a tremendous amount of assistance in achieving the things that we have with this bill.

It will be seen as we go through the rest of these amendments today and at third reading later that the amending process and the amendments which were brought forward have vastly improved the bill.

I want to note one other thing at this point. I am hoping that the government takes note. This process began a little over two years ago. Actually, it probably began about four years ago when the need for environmental assessment legislation became known. But a little over two years ago the government recognized that specific legislation was going to require quite a bit of work.

The government began a process known as pre–studying the bill. In fact the committee was struck to pre–study former Bill C–78. I was appointed to that committee, and before the committee actually got to do most of its pre–study work the bill was introduced into the House and the committee got changed to a legislative committee looking at Bill C–78.

I want to stress very strongly that the government should be doing more pre-study work on bills of this nature, bills that are of great importance, bills that have a fairly technical nature to them.

It is obvious with the changes that this bill has undertaken that we could have saved a tremendous amount of time within the department and the ministry, and on all sides of the House, if in fact the pre-study stage had taken us almost to the point we are at today before the final bill was drafted and introduced for continuing debate in the House.

I was very supportive of the pre-study work. I was most disappointed when the pre-study ended and the bill was introduced as it was. As a result we have noted very clearly that the bill was drafted without all the benefit of the knowledge that was required to produce a specific and very important bill.

On that final point, I do want to note that we in the New Democratic Party who have worked on this bill and who have consulted on this bill recognize that Bill C-13 is perhaps the most important piece of environmental legislation that this government has had to deal with.

The Environmental Protection Act that passed in the Chamber a while ago was an important piece of legislation that took us forward in terms of environmental legislation. But with this bill on environmental assessment, if the people of Canada cannot participate in environment assessment, if the public is not involved in environmental assessment, and if the government is not serious about environmental assessment, the country and the world, the planet is doomed.

The people who are going to Brazil in June of this year recognize—and I know they already do because I have read the round-table reports and other reports that take us toward Brazil in June of 1992—that the importance of this legislation is one that we have to recognize right from the beginning of this debate.

The government has indicated through its acceptance of many of the amendments that have been put forward that it considers this bill to be important, and I am very pleased that we are going to take this in the next couple of days through to conclusion and put in place an environmental assessment bill that is going to serve the country well.

Like my colleague who spoke just moments ago, I want to stress in the beginning moments of this debate that in fact, if this bill were written by a New Democratic Party government it would have significant changes over and above those which we are taking here today.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to speak on Bill C-13, particularly on this first grouping of amendments. They would certainly appear to be very technical in nature, as my friend the parliamentary secretary points out.

It is worth while to take a good look at these particular amendments. It is good to let the public know what these changes are about and what kinds of changes the government should also be including at this time and which it has neglected to do.

Most members in this House and many Canadians are aware that the environmental assessment process in this country really got going in 1974 with the rather loosely worded guideline to cabinet—that was during a minority government in 1972 to 1974. That was followed up by the EARP guidelines order that came in in 1984 which through a series of court decisions such as the Rafferty-Alameda decision and others has come to have the impact of administrative law.

I know the government has been concerned about the growth in the number of review panels that it has basically been forced by the courts to undertake. It has gone from about three panels a year four years ago to more than twenty per year now.

• (1230)

Moments ago I was looking at a ministerial document stamped secret, always handy to have during a debate. You can get a pretty good idea of what kinds of expenditures and PYs the government is planning in terms of this legislation and what kinds of loopholes it wants to build in and the ones it has left built in. One of the concerns that will be heard over and over during the debate this week is that the government tried, and successfully it seems, to court proof some sections of Bill C-13 to make it more difficult for the public interest to have certain kinds of projects properly assessed. There are also some Mack truck loopholes built in and we will certainly be dealing with those. Some of them are right within these motions and I will be dealing with them more specifically in a moment.

Of course there is the whole regulatory question. There are 15 sets of regulations, as my friend for The Battlefords—Meadow Lake reminded me this morning. He has done a terrific job in stick handling more than 100 amendments to try to clean up a very complex piece of legislation, perhaps too complex. When you think of 15 sets of regulations and pages and pages, there is an old adage that the longer the law, the more loopholes there are.

It is like income tax. The reason the government continues to produce huge amounts of tax laws is so that it can create loopholes for its friends.

Let us look at what the expected costs were when the Minister of Environment was having an assessment following the Speech from the Throne promise of what can be expected. In the 1989–90 fiscal year the A–base was expected to administer the 1984 cabinet guidelines order. This is immediately following the federal ruling on Rafferty–Alameda. It expected an A–base of $53 million. It only asked for a $500,000 increase and it wanted the person–year A–base to go up to 351 persons, an increase of 300 persons as a result of the court rulings. By 1993–94, it expected the A–base to increase to $118 million per year and person–years to go to 351. So the actual number of people it expected would be working would be 537 administering in relation to court rulings.

This is the process that got us where we are. The cabinet makes a loose ruling in 1974. In 1984 we get a natural cabinet order. In 1987 *Our Common Future* is published. More widely known as the Brundtland report, it recommends that all countries in the world have a mandatory, legislatively based environment assessment process. By 1987 it came to be recognized that it is not only cost effective and cost efficient, it is the only way we can actually have sustainable development. We must start right at the initial screening process and look at the alternatives to projects which regrettably, as my colleague for The Battlefords—Meadow Lake has pointed out, were dispensed with by the government. It refuses to accept looking at alternatives at the most important stage, right when a project is being conceptualized. The importance of having these kinds of assessments is now globally recognized because the environment in many, if not most areas of the world, is continuing to decline and be degraded because of inappropriate construction, development, dumping practices and so on.

The government made a commitment. Our own Prime Minister in the fall of 1987 endorsed, as did the premiers, the Brundtland commission report and for the past four years, first Bill C–78 and now subsequently Bill C–13, which has risen from the ashes of Bill C–78, has finally made its way to the floor of the House. Today we are looking at the amendments which are proposed by the government, by my friend for The Battlefords—Meadow Lake and my friend in the Liberal Party who described this bill as having baby teeth. I am not sure the baby teeth have even grown in yet. I would say it is a bit gummy yet. We are going to have to see how the government goes about gumming some of the big projects that are out there like James Bay, Rafferty–Alameda, Oldman dam, Kemano II, and Point Aconi because there is somewhere between $20 billion and $60 billion worth of projects that have been conceptualized and are coming off the drawing boards or, like Oldman, are in fact there.

Legislation can often be judged by how a government has been acting in the period leading up to that legislation. If one looks, for example, at Oldman one has to ask why the Minister of Transport has not even put in place an order for which he has power, authority and control under the Navigable Waters Act to require that the impoundment not be filled any further. The studies are still being done. The panel is still there. The Supreme Court of Canada has ruled on it and this government will not even live up to a Supreme Court of Canada ruling.

When I say that this is gummy legislation, it is administered by the Gummy Bears. We have the Minister of the Environment, the Minister of Transport and all of these other ministers. They have a piece of legislation full of loopholes, full of discretionary authorities and powers, 15 sets of regulatory authority, bureaucrats all over the place and you have to look for will.

Mr. Speaker, I know you, having played centre in football, understand the need for will. You have always exercised your will well here, but I am just not quite so confident about some of your colleagues when I look at some of the major projects that are out there that they have exercised their will and their discretion in the best interest of the environment.

We look at the major projects out there and how they have fumbled the ball time after time. You never missed a snap. I have looked at the old footage. But these ministers have played a lot of ball without a helmet and it worries the public out there that this government has not really shown the kind of really serious interest in protecting the water quality, the forests, the wildlife, air quality and even our international commitments on global warming, the ozone and so on.

I would describe this as pretty gummy legislation. The Liberals say there are still baby teeth. We may hear from the minister later in the week that this is dentured legislation.

Let me look, in somewhat more depth, at some of the particular projects in relation to this legislation and see where it would lead us. There is the discretionary power and the ability of the government to move to mediation rather than to public review panels and to not have included legislatively, as it should be, intervener funding which should be in there with a trigger that the public can access so that they know if there is an initial screening being done, they can trigger certain kinds of funding. If it is a review panel or mediation it is there and it can be triggered if necessary through the courts.

The government is sending out a mixed message. It is giving the hubbub, you do not need to worry message to the provinces and the territories and it is giving: "Don't worry, be happy"—you know the little whistling song, Mr. Speaker—to the private sector: "Don't worry, be happy. As soon as this is in place, you will be able to go on with your major projects because we have got all these discretionary opportunities with this legislation".

As my friend, the hon. member for LaSalle—Émard pointed out, there is going to be an election fairly soon and the New Democrat government is very likely going to have to redraft some major parts of this legislation because it is pretty loosey-goosey. I know, Mr. Speaker, that you do not like loosey-goosey legislation and neither do I. We should have got nose to nose and shoulder to shoulder a little earlier on all sides of the House and moved forward a better quality of legislation, but I guess the government had more members and it decided that was not the way to go.

My friend from The Battlefords—Meadow Lake did do an excellent job in getting it patched up a bit. The Liberals swung in there from time to time and got a few Johnson & Johnson bandages on to the legislation, but there is work to be done in the next few days. I hope the government is going to co-operate in putting some serious thought to accepting some of the major amendments that we have proposed. I know it has accepted many, but there are some more to be accepted. I think the public wants to know that this is going to be truly workable and useful legislation.

• (1240)

I was looking, just for a moment, at what is called the "Communications Synopsis". It is stamped "secret, for the ministers' eyes only" but it is always worth having a look at. It is called "anticipated impact of having this legislation passed". It is anticipated that 90 per cent of Canadians are going to think very highly of it.

It is expected that media attention could be a four on a scale of five. The media are going to give this a four, and possible headlines. These are the headlines expected. I will just give you two headlines. The positive one that the minister expects is "Government Reform to Aid Sustainable Development", the negative one could be if things did not go well with the media this week: "Feds Back Off Environmental Promises".

I look forward, over the next few days, to participating in the various motions as they come up. I regret that there are only 10 minutes with each opportunity, but I suppose there will be a number of opportunities for me to carry on in dissecting this legislation so that the public knows exactly what there could and should be in it and what is not there.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to be able to add my voice to the debate on this very important legislation and on the so-called technical amendments that the parliamentary secretary has put forward this morning.

I wonder about the timing of the introduction of this legislation. One wonders if the legislative agenda of this government is really as out of control as it appears when the Minister of the Environment has to attend, as the parliamentary secretary has indicated, a very important

conference in Vancouver and yet the government chooses this week to introduce this legislation, Bill C-13.

The Minister of the Environment has acknowledged in committee that it is: "One of the most important projects to be introduced in this Parliament". I agree with that. Bill C-13 attempts to go on from the 1984 cabinet guidelines order, which was never intended as an environmental assessment review process.

It was a stop gap measure because of the vacuum in legislation. What has flowed from that 1984 cabinet guidelines order is a large number of court cases because of the vacuum in legislation.

The committee studying Bill C-13 has worked very long and hard on making the necessary amendments. I want to give a lot of credit to my colleague from the Battlefords—Meadow Lake because I know the introduction of 111 amendments takes an awful lot of energy and I would also like to give some credit to, and unsolicited of course, my colleague from the Liberal Party because of all the work that has been done.

There has been a lot of co-operation in committee to try to make this environmental assessment process more clear and to give more certainty. We have seen the sector of court cases, the Rafferty-Alameda process, the Point Aconi process, the Oldman River process, the Kemano project in British Columbia, in my province.

This legislation is trying to stop the use of the courts as a means of determining legislation and to take it back to the House of Commons. It is our responsibility as legislators to do this. It should not be left up to the courts. It is a quest for clarity and for certainty, but it is not quite there yet.

There are other major gaps in this legislation that we will be highlighting in the coming days because it is not quite good enough for us to support yet. This is the most important environmental legislation to come before this House in many years. We are not prepared to give a rubber stamp of approval until we are certain that it has proceeded far enough so that those court cases will no longer have to be the mechanism where people can get involved in environmental assessment. We want a transparent process so that the public can be involved in assessing the environmental projects or any projects brought forth with federal funding. We also want it seen to be a transparent process so that the public is involved.

Many amendments have yet to be debated. The regulations, as has been pointed out, are crucial to the enforcement of this legislation. They are the teeth, the baby teeth, the dentures, whatever. The regulations are the real teeth.

We need some reassurance that we will be able to look at them. As legislators we are here to fulfil our responsibility to the people of Canada in a serious way to make sure that environmental review is done properly and done responsibly. That is what we are elected to do. It is not what the judges are appointed to do.

I also want to point out that we found how far we have come since 1984 with the cabinet guidelines order, how much has happened. We need to have some sort of time line that this bill, even if it is passed, gets reviewed. That is another amendment that has been put forward by my colleague, the hon. member for The Battlefords—Meadow Lake.

In conclusion, this is going to be a very interesting couple of days. I hope that the Minister of the Environment and his cabinet colleagues will see fit to be participants in this debate. It is, as the minister himself said, the most important environmental legislation to be put forth in this Parliament.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 1 agreed to.

The Acting Speaker (Mr. Paproski): I declare Motion No. 1 agreed to. That means that Motions Nos. 3, 8, 9, 10, 12, 13, 14, 15, 17, 23, 24, 25, 27, 28 and 35 have all been adopted.

Hon. Benoît Bouchard (for the Minister of the Environment) moved:

Motion No. 2.

That Bill C-13 be amended in Clause 5

(*a*) by striking out lines 2 and 3 at page 7 and substituting the following therefor:

"project is required before a federal authority exercises one of the following powers or performs one of the following duties or functions in respect of a project, namely, where a federal authority (*a*) is the proponent of the project";

(*b*) by striking out, in the English version, lines 22 and 23 at page 7 and substituting the following therefor:

(*c*) has the administration of federal lands and sells, leases or otherwise disposes of";

(*c*) by striking out line 37 at page 7 and substituting the following therefor:

"of this Act,

(*a*) an environmental assessment of a project is required before the Governor in Council,";

(*d*) by striking out lines 42 to 45 at page 7 and substituting the following therefor:

"enabling the projet to be carried out in whole or in part; and";

(*e*) by striking out lines 4 to 6 at page 8 and substituting the following therefor:

"in Council take an action refered to in paragraph (*a*) in relation to that project";

(*f*) by striking out line 10 at page 8 and substituting the following therefor:

"stages of the project and before irrevocable decisions are made,";

(*g*) by striking out lines 18 to 22 at page 8 and substituting the following therefor:

"(iv) where applicable, shall perform the duties of the responsible authority in relation to the project under section 38 as if it were the responsible authority in relation to the project for the purposes of paragraphs 20(1)(*a*) and 37(1)(*a*)."

Motion No. 4.

That Bill C-13 be amended in Clause 7 by striking out line 39 at page 8 and subtituting the following therefor:

"response to an emergency and carry-".

Motion No. 5.

That Bill C-13 be amended in Clause 8 by striking out lines 15 to 18 at page 9 and substituting the following therefor:

"ducted in accordance with any regulations made for that purpose under paragraph 59(*j*) as early as is practicable in the planning stages of the project and before irrevocable decisions are made."

Motion No. 6.

That Bill C-13 be amended in Clause 9 by striking out lines 43 to 46 at page 9 and substituting the following therefor:

"conducted in accordance with any regulations made for that purpose under paragraph 59(*k*) as early as is practicable in the planning stages of the project and before irrevocable decisions are made."

Motion No. 7.

That Bill C-13 be amended in Clause 10

(*a*) by striking out line 47 at page 9 and substituting the following therefor:

"10. (1) Before a person or body receives";

(*b*) by striking out lines 4 and 5 at page 10 and substituting the following therefor:

"*Indian Act*, the council of the band for whose use";

(*c*) by striking out lines 9 to 16 at page 10 and substituting the following therefor:

"ducted in accordance with any regulations made for that purpose under paragraph 59(*l*) as early as is practicable in the planning stage of the project and before irrevocable decisions are made.

(2) Notwithstanding paragrah 51(1)(*b*), an environmental assessment of a project is not required by reason only of the provision of financial assistance for the purpose mentioned in subsection (1)."

Motion No. 16.

That Bill C-13 be amended in Clause 30 by striking out line 37 at page 21 and substituting the following therefor:

"subparagraph 29(1)(*a*)(i) in relation to a project,".

Motion No. 20.

That Bill C-13 be amended in Clause 40

(*a*) by striking out line 5 at page 27 and substituting the following therefor:

"(*a*) may enter into";

(*b*) by striking out line 26 at page 27 and substituting the following therefor:

"may enter into an";

(*c*) by striking out lines 33 to 36 at page 27 and substituting the following therefor:

"(4) Any agreement or arrangement referred to in subsection (2) or (3) shall be published before the commencement of the hearings conducted by the review panel."

Motion No. 26.

That Bill C-13 be amended in Clause 54

(*a*) by striking out line 5 at page 38 and substituting the following therefor:

"graph 5(1)(*b*) in relation to projects";

(*b*) by striking out lines 13 and 14 at page 38 and substituting the following therefor:

"those projects, before irrevocable decisions are made, in accordance with";

(*c*) by striking out lines 16 to 21 at page 38 and substituting the following therefor:

"(*b*) a process for the assessment of the environmental effects of projects that is consistent with the requirements of this Act and is in effect in the province where the projects are to be carried out.";

(*d*) by striking out line 44 at page 38 and substituting the following therefor:

"those projects, before irrevocable decisions are made, in accordance with";

(*e*) by striking out lines 47 to 49 at page 38 and lines 1 and 2 at page 39 and substituting the following therefor:

"environmental effects of projects that is consistent with the requirements of this Act and is in effect in the foreign state whre the projects are to be carried out."

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I would like to begin by noting again that a series of motions is before us which indeed are technical. Having said that, I must congratulate hon. members on their ability to turn debate on such technical amendments into such far-ranging and interesting topics.

We have before us a series of motions designed in some cases to remove redundant or unnecessary words, because we are anxious to have the legislation as tightly drafted as can be; in some cases to add additional words by way of explanation; and to ensure the words are used in a consistent fashion throughout the bill.

I would also note that during clause-by-clause consideration the committee amended subclause 5(1) to clarify that an environmental assessment must be carried out before a responsible authority can take any action. This required changes as well to subclauses 5(2), 5(1)(c) and 5(2)(b) in order to ensure consistency throughout.

I would hope, therefore, that we could give careful but speedy consideration to the specific motions before us.

• (1250)

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in addressing only Motion No. 26 I would like to say that we are very pleased to see the government agreeing with the principle that it is important to ensure that irrevocable decisions are dealt with before they become irrevocable and in harmony with the purposes of the bill as set out in clause 4. Particularly I would refer to purpose (a), which is to ensure that the environmental effects of projects receive careful consideration before responsible authorities take actions in connection with them. It seems to me that Motion No. 26 falls within the spirit of this purpose.

I would like to conclude by putting on record the fact that under the Liberal government in 1984 an assessment process was outlined in the Order in Council guidelines on environmental assessment matters which ensured, and I quote from the text, that "environmental matters are to be taken into account throughout the planning and implementation of all proposals falling under federal jurisdiction. This is to be done before commitments or irrevocable decisions are made".

The government has done well with Motion No. 26. I congratulate the parliamentary secretary for having taken this action.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise to speak in the House on this environmental bill.

It is true this set of amendments deals with technical amendments, but these technical changes are very important. For example, the set of amendments deals with projects to be assessed, excluded projects, Crown corporations, Indian bands, appointment of mediators, joint review panels, and provincial agencies.

I want to deal with these in a somewhat broader context. Let me say right away that there is no more important an issue in Canada and in the world than the environment. When the Minister of the Environment allegedly said that our kids should not go out in the sun, or parents should be very careful about letting their kids going out in the sun, people were shocked. I think people are still reacting to that.

I had a chance to speak to some of my colleagues and friends on the west coast who are particularly interested in the environment. Indeed some of them founded a group called Greenpeace in one of my friend's basements a number of years ago in Kitsilano, in Vancouver. Of course Greenpeace now is a world environmental agency, but it started right here in Canada, right in my own backyard in the Vancouver area.

My friends who were involved in the founding of Greenpeace tell me that the minister's warning about the sun and about the kids going out in the sun is only the beginning. As a matter of fact it is chilling, what they tell us.

Mr. Taylor: The warming is chilling.

Mr. Waddell: The warming is chilling. I do not intend to make a pun or make fun of that. This is a deadly serious matter.

What may lie ahead for us is a very different world than what we were used to. That is why I say the environment is the most important issue.

I look, as do all of us, at the letters I get from my riding. We now get faxes and telephone calls. They are very interesting, at least in my case. I note when environmental matters come up that they are inevitably from young people. When we talk to young people in they schools they ask us about the environment. I remember talking to students in the Coquitlam and Port Moody schools in my riding, a suburb of Vancouver with excellent schools and students who are very motivated in environmental concerns. Inevitably the question is the environment.

I was thinking today about the upcoming election. Someone mentioned that it may be within a year. I remember an all-party debate at Centennial High School in Coquitlam, British Columbia, during the last election. The teachers did a bit of a poll as to which party's candidate was winning. I must say that I was somewhat shocked because I was in third place in that poll as we went in.

I remember we only had a short period of time, a few minutes, and I chose to comment on the environment. When I came out of the debate I was quite far ahead in the poll because clearly I had chosen an issue the students were really interested in. They wanted to vote for someone who would champion such issues.

I took part in the study of the previous bill on the environment in the last Parliament. I was on the legislative committee. Having had that experience, I want to congratulate the members who took part in this legislative committee, especially the member for The Battlefords—Meadowlake. When he goes back to speak to the high school students in his riding in Saskatchewan I hope he will say: "I took part in the process that led to Bill C-13" because it is really important.

I say to the hon. member who is behind me in the House that I took part earlier this year in a bill on gun control. It took a long time and a lot of effort. I remember thinking at the time: You do not get a lot of credit for this; you do not get your name in the headlines on this. There is a lot of work behind the scenes. It is a heck of a lot of work and I want to congratulate him.

The world may not know what he is doing, but young people will know and are concerned about what he is doing. As a matter of fact, I noticed that the hon. member for The Battlefords—Meadow Lake has spoken on this issue a number of times. I was just trying to find copies of his speech. I just want to quote the hon. member when he said: "Our children are inheriting a country which is sick and diseased compared to the state of our country a generation ago. Our ozone layer has been destroyed to the extent where the federal Minister of the Environment has warned that our children should not expose themselves to the sun. Many of our lakes and rivers are dead and dying. Our forests are sold off in unimaginably large tracts to pulp and paper companies. We continue to encourage global warming and our children have been robbed of the opportunity to share our environment with many species of animals, plants, fish and birds now extinct through bad choices we have made as individuals and through our government. We can change the future".

I hope this bill will go some way to changing that future because the environment is our future. Canada must have the best environment in the world, and that is what we should be committed to as politicians. I hope this bill will go some way to doing that.

I just want to go over a couple of parts in the bill and make some comments on them. The bill, as I understand it, sets out to trigger the set-off of environmental assessment. We have seen a number of projects such as the Rafferty-Alameda project in Saskatchewan, the James Bay project in Quebec, the Oldman Dam project in Alberta and the Kemano project in British Columbia. The bill triggers these environment assessments. The intensity of the assessment from a simple screening to a full panel or mediation is dealt with; what sort of projects, activities or undertakings are to be assessed; the factors to be assessed are taken into account; who is to do the assessing; the role of the public; and the responsibility and authority of the minister.

• (1300)

Now it is very important that these assessments be clear and we set out a procedure. We in the New Democratic Party would like to see a better environmental assessment procedure. We believe the assessment should be done by an independent agency free from political pressure or influence peddling and the decision should be final and binding.

I am going to conclude there and come back later in the debate to speak about the role of the environmental community which was involved in this bill, and I applaud that, and some of the shortcomings of the bill which still treats environment and economic development as trade-offs. I want to talk about where I think we can strengthen the bill by making a much clearer process, a stronger process and better public input.

Let me conclude where I began. As the hon. member from The Battlefords—Meadow Lake has said, I have visited his riding and it is a beautiful environment.

I want to conclude by saying that the environment is the major issue for the future. The young people of Canada understand that. They demand that their members of Parliament, as far as possible, put partisanship aside, as has been done a lot in this committee, to strengthen this bill, to make a strong environmental bill with clear protections and a clear process when we are to begin big projects in this country which could damage our environment. We have just begun the fight.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I wanted to add a few words here. I am prompted by my friend from British Columbia who has visited my constituency and travelled in particular to Meeting Lake Regional Park at one point. He rode in an antique vehicle that had been provided to us for the afternoon on a beautiful summer day on the banks of the beautiful lake at Meeting Lake Regional Park in northwest Saskatchewan.

The hon. member speaks volumes when he talks about the importance of the environment to us as human beings. We all would be much poorer without the ability to have those clean lakes and the clean air around us.

I visited India last year for the world conference with the Commonwealth Parliamentary Association. I must say touring a country with a population of 850 million people and trying to find a clean lake like we have in northern Saskatchewan is a task that I do not think anyone could perform.

We have a lot of work to do in this world and starting here at home is a must.

The hon. member talked about regulations and he talked about working on Bill C-17, the gun control legislation. I had to tell him, as we had discussed privately during that bill, my major concern with the gun control legislation was the lack of the ability of members of Parliament and others to have access to and discuss the regulatory process.

On the member's work on that committee, it defined a regulation-making process that gave members of Parliament and members of the other place an opportunity to have a look at the regulations prior to their coming into force and being a part of the process that flows out of that legislation.

The member from British Columbia will note that one of the amendments that will come up later today is virtually word for word from Bill C-17.

I put on the table for this environmental legislation an amendment which would provide members of this House and members of the other place an opportunity to review the stacks of regulations that are going to come down in relation to this particular piece of legislation.

I am most concerned that in fact the regulation-making process is going to be the one that is going to have the most follow-up when Bill C-13 is finally law and we are operating with it in developing the environmental assessment process in Canada.

I would like to see, and I will be urging later in the day that my amendment, which was modelled on the one put forward by the hon. member in Bill C-17, regarding the regulatory process will be accepted by the members on the other side and the members to my right in the Liberal Party.

I do not have enough time to speak about this section, Mr. Speaker, and I regret that but I understand the rules and will be happy to follow the rules. This set of amendments, while it deals with a broad range of subjects, inserts a few technical matters into those sections, but in particular, Motion No. 20 dealing with the joint review panel is one that I would like to say a few words about.

The process of the review panel matters is most important to us. When we heard from one provincial minister speaking on behalf of the Canadian Council of Ministers of the Environment, he put up quite an argument that in fact the provincial process is one that has to be the governing process.

I feel very strongly that environmental assessment legislation has to be federal in nature with its strengths resting with the federal government. As we know from the environment committee's report tabled earlier this year, the environment knows no boundaries.

The environment does not recognize these historical and political boundaries that we as humans have drawn on the maps. When toxic materials go into the air and when toxic materials flow into rivers they do not stop when they come to a provincial border. They flow on and they flow on and the damage that can result is most intense.

We heard from the people in the Northwest Territories who argued very strongly that actions that take place in northern Alberta for example will have devastating effects in the Northwest Territories because of the way in which the rivers flow.

We have to be most informed, knowledgeable and sensitive to those facts.

I must say there has been a significant strengthening of the environmental and administrative credibility of the federal environmental assessment process within this bill.

The government has made it clear in the bill that joint panels must adhere to specific standards. These joint panels are an essential part of the process and a major part of this piece of legislation.

Those specific standards which the joint panels must adhere to include factors to be considered, participation in subsequent reports. The government has also through this legislation ensured a clear federal presence on the joint panels which will be put in place.

I believe that in this case the legislation is quite clear and joint panel reviews must meet the same requirements as federal panel reviews. This means that it is the standards that are set by the federal process that in fact run supreme in terms of the over-all assessment process and we will all benefit as a result of that.

In conclusion, I just want to point out to those who are watching part of the conditions under which a joint panel operates. As you know, Mr. Speaker, because I know you have read this legislation very closely as you do all legislation that in this case the minister appoints or approves the appointment of a chairperson for the joint panels and appoints at least one other member of that panel. That ensures that the federal presence is very secure.

The legislation, thanks to amendments which were brought forward, ensures that the members of the panel are to be unbiased and free from any conflict of interest relative to the project. That is not always easy to do, but it is guaranteed here in the legislation that the panel members must not have a bias or a conflict when it comes to reviewing the project on the panel.

Of course the Minister of the Environment fixes or approves the terms of reference for that joint panel. That is a very positive step.

• (1310)

There are hours worth of matters to be discussed here. Mr. Speaker, I see you signalling that my time is up. I recognize and understand that and will continue the debate as we go through the day.

Mr. Jim Fulton (Skeena): Mr. Speaker, this is an interesting series of amendments that we are dealing with now.

Some of them touch on the regulatory provisions of Bill C-13. Many people would think that those are something that would only be of interest to lawyers or specialists or certain people in corporations who are proposing projects and might be particularly interested in some of those regulatory provisions.

As I have had an opportunity to discern, these 15 sets of regulations look a bit like a gigantic box of Cheerios. There are all kinds of loopholes being built into these regulations that neither the members of the legislative committee, who were scrutinizing the legislation, nor in fact the parliamentary secretary had a chance to go through. I am certain the minister has not even had a chance to go through all of the regulations.

It is important to put on the record some of the concerns that we have even in terms of this part of the process. There has been a growing and good habit on the government side of including more and more of the

regulatory provisions of legislation with the legislation at the time of its passage.

If the government does not include the regulations, then such as we found with the recent farms legislation, an opportunity is placed right within the legislation for regulatory scrutiny. Regrettably, the government has prohibited that opportunity so far. It still has an opportunity at this time to introduce such an opportunity.

It is very important where the regulatory spread is so wide and where so many people of good interest have urged the government to include the opportunity for policies to be evaluated through environmental assessment right at its initial promulgation. Just as with a project as policies are being developed they should be scrutinized, just as should be the budget and development projects outside of Canada that either make use of Canadian capital or resources, be it intellectual or direct development resources.

I would like to bring to the attention of the House some of the concerns that have been raised by the national environmental law section of the Canadian Bar Association in terms of some of the regulatory sections that are now being worked. There is out there for some consultative purposes a work book on regulations.

In what would appear to the public to be a good piece of legislation, one would assume in its mandatory study list to include things such as new nuclear reactor sites, new major hydroelectric dams, new major forestry proposals that would impact on an entire watershed. One would think that those sorts of things would be there.

I noticed under the nuclear and related facilities assessment section by the legal community the following was found. I will try to simplify it and just get to the nub of it. It is the kind of regulatory exclusion that the public would have some difficulty digesting.

It says that the limit for items (a) through (g) in the new section on regulations related to new nuclear facilities is not justified in the view of the definitions of projects under subsection (2)(1) of bill C-13.

In addition, NELS apprehends that almost all of the limits on inclusion of projects in the comprehensive study list under this heading have been imposed not on the basis of any environmental criteria but rather to ensure minimal interference of the environmental assessment process with the ordinary course of business of the Canadian nuclear industry.

For example, the limit under (c) to nuclear reactors with a power capacity greater than 30 thermal megawatts would effectively remove from the comprehensive study the slowpoke reactors which Atomic Energy of Canada Limited has proposed for such densely populated and sensitive locations as hospitals and university campuses.

This is what we have. As I said earlier, the process began in 1974. We got our first cabinet directive for Canada in 1984 that was consolidated into the 1984 cabinet guidelines order.

In 1987 the Brundtland report *Our Common Future* recommended to all countries in the world that there be mandatory legislated environmental assessment processes that would include the public. By 1988 the gears had been put into forward motion here in Ottawa.

The bureaucracy was drafting, in justice and in other departments, legislation to come before the House. During that period 80 government departments and agencies were consulted. I have gone through one of these "for minister's eyes only" stamped "secret" documents for what was going on in there.

It is kind of alarming because we can go back three years and find on page 4 regarding departmental positions: "Energy, Mines and Resources supports the legislation", that is referring to the legislation before us today, "but opposes applying it to Petro-Canada and Atomic Energy of Canada Limited. Finances concerned about intervener funding, the inclusion of Crown corporations and the magnitude of uncertainty of the costs of the proposal". On it goes.

As the consultative process was going on, we find different ministers and different agencies trying to pave ways within the legislative process where they can find ways to slip out of, slide out of, avoid having to undergo even an initial screening.

As many people have come to realize, the court judgments that were coming down on the 1984 cabinet guidelines order, whether it was on Rafferty-Alameda, the Oldman through the Supreme Court of Canada decision earlier this year, the court rulings in relation to the Great Whale or the court process involving Kemano II or the Kemano completion process in British Colum-

bia, there was starting to be a growing body of administrative law.

Two other processes were going on. Ministers and agencies were trying to find permanent loopholes. At the political level, government ministers were trying to convince the private sector, the provinces and the territories not to worry about this new legislation because the loopholes for them would not be seen immediately within Bill C-13, but they would come in all of these regulatory mechanisms.

Take the one example I raised. Why should Candu's new phase of nuclear reactors, the slowpokes, because they are less than 30 thermal watts, be excluded? Why should existing sites which may be more dangerous than proposed new sites be excluded?

If we are going to have environmental assessment legislation that is worth anything, it means we get out there and identify from a—I do not want to use overly complex language here—truly ecologically sustainable development perspective what are the best ways of maintaining the Brundtland definition of "sustainable development", which is that we pass on to future generations, a habitable, liveable, sustainable ecology.

That does not seem to be the case. I do not point my finger at anyone, but it does not seem to be what we are doing in the country. As I said earlier, I see the chair of the Rivers Defence Coalition here in the House today, Pat Moss, who has worked long and hard to get sensible policies applied to a major project in British Columbia, Alcan's second phase of the Kemano project.

People like Miss Moss look at Bill C-13 and say: "How would this apply to a project that already has $.5 billion spend on it in the area that I live. Would I be better with the 1984 guidelines order, or would I be better with Bill C-13?" What we do know in terms of the guidelines order is that the government, rather than even having the assessment procedures apply, used what is now recognized as an unconstitutional approach, the same Order in Council powers to exempt the project from an environmental assessment.

That demonstrates to the informed environmental community in Canada the will of the government. If the will of the government on a project that is here now in 1992 and is before us is to sneak around having an assessment, what kind of credibility should members of this House or the public put in a hidden regulatory process?

That is why it is very important to examine this series of motions. We certainly look forward to hearing from members on the government side as to exactly what kinds of assurances we can have that there is not going to be an undoing, through the regulatory Governor in Council processes of this legislation what members such as the for The Battlefords—Meadow Lake and others have fought so hard to have placed within the legislation in a clear and understandable way, through a process with Bill Andrews and Mr. Pannell, that was unique and informative and had great potential.

• (1320)

I look forward to pursuing both the regulatory and the policy matters in the next section of amendments.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, as we have heard in the speeches today in this House, the complexity of this bill is becoming clear. There are major motions still being put forward at the report stage of this bill.

I would like to focus on Motion No. 26 in particular. The language in it is: "before irrevocable decisions are made". It is very clear from our most recent history on environmental concerns that we have the language in this legislation to ensure that environmental assessment carries through before irrevocable decisions are made. That means that, yes, things will have to slow down, that maybe development is not going to go at the pace the major corporations would want it to.

Canadians have told members of this House that there cannot be development without some consideration for the environment. We now know that the Supreme Court decision on the Oldman River has come down. This is not just a victory for the environmental movements, it is also a victory for the people who made it clear in the language of this motion that irrevocable decisions have been made. The Oldman River dam is now reportedly 25 storeys tall. The taxpayers of Alberta and the taxpayers of Canada will be the ones who are paying the bill on that. This is not responsible behaviour. It was pushed through with the assumption that all was going to be well and that provincial jurisdiction was going to be paramount.

The Supreme Court has decided: "No, wait a minute. There is federal paramountcy on environmental concerns". The Oldman River decision is crucial to the way we jig the kind of jurisdictional squabbles between the levels of government.

The federal government has to have supreme authority on environmental issues. It just makes good sense. Often in this House good sense does not prevail. Rivers do flow across provincial boundaries, air flows across not just provincial boundaries but international boundaries. My colleague from The Battlefords—Meadow Lake has pointed out that the environment does not respect the

nice little maps we have drawn on the globe. Therefore, we have to find the best way of determining how to care for the environment. Canada, that is the federal government, has to have the supreme authority on those decisions. Canada is the one that is speaking, not just for the country but for all the people in each of the territories and the provinces.

Motion No. 26 makes certain that the environment has to be considered before irrevocable decisions are made, so that the tax dollars that went into that 25 storey structure on the Oldman River will not be wasted in the future. It is not irresponsible environmentalists that are trying to block progress, it is very responsible environmentalists wanting to ensure that the project will only proceed when all things have been considered. That is the complexity of this bill and we will be talking about it over the next few days. For those people who are watching, please bear with us. It is complex and we want to do the best we can for environmental assessment in Canada because it is so important.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 2 agreed to.

The Acting Speaker (Mr. Paproski): Motion No. 2 is agreed to. Therefore Motions Nos. 4, 5, 6, 7, 16, 20, 26 are carried.

Motion Nos. 11 and 18, standing in the name for the hon. member for Davenport, will be grouped for debate but voted on separately.

Hon. Chas. L. Caccia (Davenport) moved:

Motion No. 11.

That Bill C-13 be amended in Clause 17 by adding immediately after line 34 at page 14 the following:

"(3) The Minister may terminate any agreements made pursuant to subsection 17(1) if the person, body or jurisdiction fails to comply with any section of this Act and the regulations, and refer the project back to the responsible authority."

Motion No. 18.

That Bill C-13 be amended in Clause 37

(*a*) by striking out line 20 at page 24 and substituting the following therefor:

"37. (1) The Governor in Council shall";

(*b*) by striking out line 38 at page 24 and substituting the following therefor:

"the Governor in Council shall, by order, authorize the responsible authority to exercise any";

(*c*) by striking out line 41 at page 24, and substituting the following therefor:

"out in whole or in part and to ensure".

He said: Mr. Speaker, briefly the explanation of this motion is that there is a provision in the proposed bill on environmental assessment whereby the minister can delegate to any person, body or jurisdiction the authority to conduct any part of this screening of a comprehensive study of a project or the preparation of a screening report.

Having done so and having delegated that authority, the proposed legislation is silent on whether or not the minister can revoke this authority, if he or she deems fit to do so.

With this amendment, we are proposing to the government that it be made quite clear and specific that if for any reason the minister deems that the process is not being conducted satisfactorily, then the delegation of authority can be revoked by the same minister in charge of that process.

Mr. Speaker, with your permission, I will also deal with motion 18 since you have already called it. What we are proposing on the Liberal side is an amendment to shift the decision-making responsibility from the minister who proposes that particular project to the entire cabinet. This may sound a bit dramatic and sweeping but nevertheless decisions are made in cabinet which are far reaching, national and of a scope that sometimes reaches

well beyond the boundaries of one district or one province.

In clause 4 of the bill, the purpose of the bill is expressed in the manner that it justifies the kind of amendment I submit. There is a collective responsibility that ought to be discharged by the entire cabinet and not only by the proposing minister, including the Prime Minister. In doing so, I submit that actually the four purposes outlined in the early part of the bill, which sets out what this bill intends to achieve, would not be compromised. It would be accomplished and accomplished better.

• (1330)

In this amendment there is also a provision for proceeding by way of Order in Council, rather than by way of a decision that is not made public. As you know, an Order in Council has to be made known to the public by way of *The Canada Gazette*.

This is a very important step because it gives a clear and public record of the decision made by the government, by cabinet. It spells out the conditions of the approval including the mitigation measures in the approval, and it does empower the responsible authority to enforce the conditions of the order.

So there are several goals that are achieved by way of this amendment. They are: enforce the bill, make the public information process valid and real, and also give the enforcing authority the validity and the power and the weight of public opinion in the process of enforcing the measure itself.

So for these reasons which flow from clause 4 of the bill in which the purposes are outlined, as I already indicated a few times, the amendments are submitted to this House in the hope that they will be received favourably.

If Motion No. 18 were to be accepted, it would go a long way in defusing some of the criticism that is being addressed to this bill.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I want to commend the member for Davenport for bringing this matter to our attention today.

It is obvious that there is a bit of a failing in that part of the bill as to the time when the ministers can delegate authority for various matters and not have a termination clause present.

I want to commend the member for bringing this to our attention today. I want to urge the government and other members to support this amendment because of its necessity.

Just to follow on the argument in support of the member's amendment, I want to quote a brief statement from the Minister of the Environment when he appeared before the legislative committee studying Bill C-13 on October 10, 1991.

The Minister of the Environment said that "while the amendments and proposed regulatory process are the product of more than four years of work, the bill before us will affect all parts of our society and it will create a new dynamic in environmental assessment. More than 80 departments and agencies have been involved, as well as the provinces, the territories, environmental and industry groups, and many others. Let us keep in mind that this act reflects a consensus which, in turn, reflects the growing understanding and concern Canadians share about the relationship between our economic activities and our natural environment".

I will just continue the quote for another brief second. The Minister of the Environment said: "I believe that the Canadian Environmental Assessment Act provides us with a flexible instrument with which we can meet the environmental challenges of the future. This bill constitutes a major advance in the field of environmental assessment. It encourages projects and practices that respect the environment, and it increases the public's influence over decision-making. This is not the end of the debate, but rather the beginning of a new era in environmental assessment".

If we take the Minister of the Environment at his word in this matter, we see that these are very strong, caring words about building an environmental assessment process that will, in fact, protect the environment over a long period of time.

What the member for Davenport has pointed out to us today is that part of the process of protecting the environment is being delegated to others, perhaps outside of the department, perhaps to anyone. We are being asked to trust the delegation of authority to those out there.

I read into the record the section that we are talking about here, section 17 on page 14:

> A responsible authority may delegate to any person, body or jurisdiction within the meaning of subsection 12(5), any part of the screening or comprehensive study of a project or the preparation of the screening report or comprehensive study report, and may delegate any part of the design and implementation of a follow-up program, but shall not delegate the duty to take a course of action pursuant to subsection 20(1) or 37(1).

What the member for Davenport is telling us is that while this is an important part of the process, because we cannot expect the Minister of the Environment to do everything, it is an important part of the process that we have to protect, without giving the minister the opportunity to terminate agreements that have been reached by responsible authorities, then what we are doing is we are allowing on some occasions perhaps an inadequate process to carry on to an end that none of us will find acceptable.

A termination policy must be in place during the course of any of this delegation of authority. It is only the minister who should eventually have the ability to terminate that agreement.

I find it would be a failure on the part of this act not to have that in place. The amendment before us today sets out very clearly and easily a way to achieve the results that I think we are all looking for.

When the Minister of the Environment says that we are talking about the beginning of a process, a beginning of a debate, we have to recognize that he is understanding and very sympathetic to the ongoing nature of the process that we have begun here.

Another amendment deals with a five year review of the act and gives us an understanding that the government is prepared to acknowledge that there are some failures that we are not quite ready to acknowledge yet because we do not know how everything is going to pan out so to speak.

We have an opportunity right now to correct one of those deficiencies without waiting for five years to do the review and to put it all into place. This is a very easy way to achieve that. Accepting the member for Davenport's fine amendment at this point is something that is the least that the House can do at this time.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, the amendments put forth by the member for Davenport demonstrate not only the value of the committee work that has preceded this debate in the House, but also the depth of talent within this House.

The member for Davenport is a former minister of the environment and he has brought that history to the committee. He has seen where there are little loopholes. As my colleague from Skeena has pointed out, the longer the bill is, the more opportunity there is for loopholes.

The committee work in this House is much misunderstood and yet it is some of the most important work of this House. I know the media is focusing mostly on Question Period and perhaps on debates in the House. But behind the scenes there are some very good people doing some very good work for the people of Canada.

This is just one instance where the member for Davenport, from his experience that he has drawn on by having been a minister of the environment, has put forward these very useful and important amendments.

I hope the government will see fit to support these amendments.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I too would like to rise in support of the amendments of my colleague the hon. member for Davenport.

I would actually like to pick up on the comments that have just been made by the member for Saanich—Gulf Islands both as to the truly effective work that was done by the committee and the way in which the committee came together to substantially improve this bill, much of which is really as a result of the individual skills of the members.

• (1340)

The fact that the member for Davenport is a former member of the cabinet and indeed perhaps that person who more than any other in the political process brought environmental concerns to the forefront of the nation's concerns is indicated in these amendments.

When he talks about the way that cabinet works as opposed to an individual member, all members in this House would do well to pay heed.

The amendments he has brought forth are the fruit of a lengthy experience and it is indeed pretty heart-warming for me as a member of this House to see those opinions expressed here.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, there are two or three points I would like to make in response to other comments made in the House.

First of all, I would like to thank the hon. member for Davenport for his continued practice of speaking very specifically to the issue at hand.

I would also like to make specific comments to Motions Nos. 11 and 18. With respect to Motion No. 11 my hon. friend for The Battlefords—Meadow Lake read clause 17(1) which relates to a minister's power in the process of delegation.

The first thing that must be stressed lest anyone watching perhaps misunderstands is that the responsible authority in the end of course is left with the decision-making authority. That is the ultimate power.

Although there is provision in the bill whereby responsible authority may enter into arrangements to delegate part of the screening or comprehensive study, including the preparation of that material to a provincial body or body set up under the lands claims agreement or any other self-governing agreement, what is clear is that the responsible authority in the end is left with the decision-making process. I think that is as all of us would wish.

It is also important to note in clause 17(2) because my hon. friend read all of clause 17(1), but in clause 17(2) in the proposed legislation it says "for greater certainty a responsible authority shall not take a course of action pursuant to subsection 20(1), or 37(1) which relates to decision-making power unless it is satisfied that any duty or function delegated pursuant to subsection 1 has been carried out in accordance with this act and the regulations".

In other words what is very clear is the responsible authority, the relevant minister, does indeed have the power to ensure that any part of the process that has been delegated has been done so in accordance with the act and in accordance with the regulations.

It is for that reason that I would suggest to you that the proposed Motion No. 11 of the hon. member for Davenport is not necessary.

With respect to Motion No. 18 which refers to clause 37(1) in the bill, I would note and perhaps it will be recalled from previous debates, that part of the philosophy in this legislation is indeed the principle of self-assessment. It is an important principle and perhaps it is one which is not fully understood.

Part of the principle of self-assessment is indeed to accept the fact that all those who might have a responsibility pertaining to the environment are required to accept that responsibility. There have been times during the hearings when this was questioned.

The concept of self-assessment is important because it is saying really that one cannot ask any one individual, any one minister, to become in a sense a superpower.

The philosophy indeed is that this is a responsibility which must be shared by all participants, not just by all ministers within the federal government, present or future. What is consistent within the legislation is the realization that it must also be shared by other jurisdictions, and in a sense by way of implication it says by Canadians everywhere. The reason I think this principle is important is that it must be clearly understood that government alone cannot be held accountable for the protection of the environment. It is a responsibility that must go far beyond the Chamber, the cabinet or future cabinets to other jurisdictions, to Canadians everywhere.

I would also note that there is an important aspect of accountability in this process. We must remember that as politicians we are accountable for each and every one of our actions. Clauses 22 and clauses 36 to 38 provide for the publication of reports and the justification for not following the recommendation of those reports.

What is clear is there is a direct line between the decision-making part of government, irrespective of which responsible authority that might be, back to the public at large. I think that line is very important. It is a line which must be maintained.

I would also like to make note of the earlier discussion when the hon. member for Skeena, who is present, was referring to the comprehensive list and making reference to the fact that perhaps a nuclear reactor would not be on that comprehensive list. What is important in this legislation is to understand that we are proposing to put into law the methodology by which environmental assessment can occur. We are trying to make it as specific, as well understood, and as all inclusive as we can.

The fact that a particular project is not on a comprehensive list does not of course in any way preclude the fact that that project could indeed be subject to an assessment by an environmental panel, to be referred to a full review, once it has gone through the screening process. We are simply trying to delineate much more clearly now and into the future how that procedure will take place rather than the more loosely drafted guidelines which have been in place since 1984. It was not the intention that they would be law at that point in time; they were designed to be guidelines and were subsequently given the force of law by court decisions.

Here we have what we think is an attempt to clarify and to solidify the environmental assessment process. We believe that indeed we have gone significant steps forward. I would not pretend, as no other member would pretend in this House, that any law passed in the year 1992 is going to necessarily meet the needs of 1994, 1996, or whatever the time may be. We truly believe that what we have in our hands today is, as other members have said, a very significant step beyond that which we have had during the course of this administration.

I want it to be understood therefore that the decision as to whether or not a project would be assessed by way of a public panel will be the result of this process unfolding as it does. There is a series of steps in that regard and certainly I think we will discover there is a very significant opportunity for public participation in that process. Certainly, in my mind at least, we will see much more public involvement in the future than we have on occasions in the past.

Mr. Jim Fulton (Skeena): Mr. Speaker, I rise to support the amendment proposed by my friend from Davenport. Even as members of the public were listening to the parliamentary secretary read clause 17, it became quite clear that the termination wording as proposed by the member for Davenport is precisely required.

Before I get into the specifics of it, Mr. Speaker, I have to tell you a little story. It is always good to have an occasional little story. My friend from Crowfoot likes to hear occasional stories.

I used to live next to one of the most beautiful areas of British Columbia where the Parsnip and the Finley rivers join. A dam by the name of the W. A. C. Bennett Dam was built and flooded it back and created what is known as Williston Lake. My friend who is here, the member from Port Moody, also did some work up in that same area with the Beaver people who lived there, the Sekanni people who were flooded out as that lake was rising. They were flooded out of their home communities and they moved into Ingenika and Fort Weir and some moved on down to Bear Lake and elsewhere.

One of the things that I found interesting that they were confounded by, and it still sticks in my memory to this very day, is that during the wintertime because it is so cold in that area the surface of the lake would freeze hard with three or four feet of ice. During the winter months because of the hydro requirements in big cities like Vancouver the turbines would run all winter long and draw the lake down.

• (1350)

If one were to look out as the Saw people took me out to do, the Beaver people who lived that area, one would see the lake. If one were asked "how deep is the lake", one would see the frozen ice going from one shore to the other of one of the largest lakes in Canada, more than 100 miles long. One would say that it was a very deep lake. If one ever fell through the ice, as some people did in logging trucks and in other circumstances, one would fall farther than from the top of this Chamber to the floor. That would be the depth of the ice, and the whole lake had been drawn down.

The reason I raise this story is to illustrate that what you see, Mr. Speaker, is not always what you get. Looking at it in the wintertime it would look like a nice frozen lake, but if you fell through you would not get your legs in the water while you still held on to the ice.

Bill C-13 is a bit like the ice above the lake. What is really underneath, what is really found in the regulatory powers and so on, is what this bill is all about.

Let us look at what my friend from Davenport is seeking. If we look at clause 17(1), it refers to the delegation of authority and says: "A responsible authority may delegate to any person, body or jurisdiction within the meaning—any part of the screening or comprehensive study of a project or the preparation of a screening report or comprehensive study report", and on it goes. The authority can be delegated.

Then it says, as my friend the parliamentary secretary read: "For greater certainty, a responsible authority shall not take a course of action pursuant to these other subsections unless it is satisfied that any duty or function delegated pursuant to section 1 has been carried out in accordance with this act and the regulations".

We would never know that. Clearly there should be another clause to allow for termination. Let me give another example.

A friend of mine who teaches law in British Columbia was working at the University of Victoria law school. The Minister of the Environment allowed him to go in and do a computer search of what are known as class 1 and class 2 permits which allow for pollution of water, air or land, mostly pulp mills and large industries. He went through all the computer base and Canada, this Parliament, had passed over or delegated to the province of British Columbia under the Fisheries Act the right to administer the permitting structures in relation to those class 1 and class 2 permits to place effluents into water. Of course there are fish in the water.

Therefore it is a federal power very clearly understood constitutionally in this country. What he found was shocking and it still shocks me to this day. He found 75 per cent significant, non-compliance for more than a year of the permits that had been delegated from Canada to the province. The province had its environment people out there but in three-quarters of the cases there was significant non-compliance for more than a year.

My friend from Davenport is seeking what one would intelligently expect in a large federation such as ours with two huge territories and 10 provinces and without the kinds of enforceable national standards that would be required for the assessments of policy, projects large and small, comprehensive studies, and so on. Without that in place he is simply asking for an intelligent safety mechanism where a minister comes to be apprised that a delegated authority is either incompetent for a variety of reasons, perhaps not even intentionally, and comes to find himself or herself or the corporate entity to be incompetent to complete a study, to complete an assessment or whatever.

Basically what the House has to recognize during this debate is that clause 17 is simply inadequate. It does not provide the minister with the kind of authority he or she simply requires in order to be able to have either a review panel or a mitigation process properly carried out.

Again I dip into my bank of documents stamped "Secret, for minister's eyes only". It is often in these kinds of documents that one will find the tacky track record of the senior bureaucracy at the political level and what it was thinking about while this material was being prepared. I quote from "Secret, FEARO" page 3, section 10: "Mandatory procedures including public review established by the proposed legislation will apply only to projects as the case may dictate. Ministers will have an obligation to assess new policy proposals but procedures will be discretionary. Public review of policy proposals would be at the discretion of the responsible minister".

We sort of learn as we go along. We can look at Oldman. We know in the case of Oldman that the Minister of Transport is still not even living up to the direction of the Supreme Court of Canada. He was found to have an affirmative, regulatory duty. Has the Minister of Transport lived up to an affirmative, regulatory duty? Every member of this House knows what that is. Every member of this House has a copy of the Navigable Waters Act and we all know the Minister of Transport is not living up to it for political reasons.

What should be done is that the reservoir should not be filled any further. When we look at this legislation we are looking particularly at the proposed additional clause of the member for Davenport. I see you nodding, Mr. Speaker. You are in agreement now, after this vigorous and not overly protracted debate, that this is the kind of thing that should be included. I see we are able to

persuade the parliamentary secretary now. Perhaps, if the minister were not at Globe 92, he would rise now before Question Period and agree that this is the kind of clause that should be included.

I think it has been a fairly successful debate this morning. I would just like to close off, Mr. Speaker. You have had a moment to reflect on my story about the level of the ice and the real level of Bill C-13. We have an opportunity, this being the springtime, to fill it back up again with goodwill on behalf of Canada's environment.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, the member for Skeena, our environment critic, spoke eloquently on this amendment to clause 17. The amendment is in the name of my friend from Davenport who is a former environment minister and whose amendments and remarks are always worth considering and are usually persuasive in this House. I rise to speak on that.

The hon. member for Skeena mentioned the notion of Williston Lake. I happened to be with him one time going up that lake. It is really quite startling. It is a 100-mile long lake that was created by us, really, by engineers and so on. They created that lake and that caused some very strange things to happen.

The member mentioned what it was like in winter and the illusion of the ice, the illusion of normality. One should see it in summer. There used to be some beautiful native villages and a beautiful valley there.

It was decided that we needed this power. There was no environmental assessment, nothing. There was a dam. The Bennett dam was built there. In the summer you cannot go along that lake in a canoe because, if you do, you are liable to get a missile hitting you from the bottom. The trees at the bottom were left there when it was flooded. Over time they have become loose. As you go along, occasionally the trees will just come up like a guided missile from the bottom and surface on the lake. People have actually been hurt in boats and canoes. They cannot go on the lake.

It is important that we now get a modern environmental process that really works. That is why the minister's discretion must be looked at very carefully. As the member for Skeena said, there must be enforceable national standards. We must not set up an act in which a weak minister or a weak government like this Conservative government can start ignoring things to help their friends as they did with the Oldman Dam in Saskatchewan.

I know we are going into Question Period, so we will come back to this amendment. I hope the House can support this amendment so that we can make a strong, enforceable standard here.

[*Translation*]

Madam Deputy Speaker: It being two o'clock, the House will now hear statements pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

INTEREST RATES

Mr. Walter Van De Walle (St. Albert): Madam Speaker, the issue is credit card interest rates. With the downturn of the economy, there are more credit cards in circulation. An estimated 55 million have been issued. That is more than two cards per Canadian over the age of 18.

Why are credit card rates so high? Is there an agreement between the credit companies to keep the rates sky-high at the expense of consumers? Why are the rates twice that of the prime interest rate? These are the questions that the banks, the financial institutions, the retail stores and the trust companies must answer.

While consumers are being ripped off with high credit card interest rates, the financial institutions are making huge profits and paying little income tax.

Madam Speaker, this is not the Canadian way of fairness. I call on Consumer and Corporate Affairs Canada to take action immediately.

* * *

LAW OF THE SEA

Hon. Chas. L. Caccia (Davenport): Madam Speaker, the Government of Canada is unwilling to ratify the Law of the Sea, yet invokes it when asking for international restraint in fishing stocks such as the northern cod.

The government cannot have it both ways. Last week the Minister of Fisheries said he will put fish on the table at the United Nations Conference on Environment and Development next June in Rio de Janiero where conventions on the environment and natural resources will be examined.

For the minister to be taken seriously at this conference, the government to have credibility abroad should at last ratify the Law of the Sea. There is little time left and unfortunately there seems to be very little political will on the part of the Government of Canada.

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[*Translation*]

GUN CONTROL

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, the Canadian Advisory Council on Firearms of the federal Department of Justice will shortly submit its first report on the regulations that will accompany Bill C-17. A number of sources have indicated that the advisory council will recommend relaxing restrictions on cartridge magazine capacity, as far as the five—and ten—bullet limit is concerned, and that the safe storage requirement will also be downgraded.

Now is the time for federal and provincial members, the medical community, municipalities, the police, representatives of the public and all Canadian students to make themselves heard. Madam Speaker, we must all show our support for the coalition for gun control in Canada.

* * *

[*English*]

CAPE BRETON ECONOMY

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, the recent Tory budget not only promises to privatize the Cape Breton Development Corporation, but plans to amalgamate Enterprise Cape Breton Corporation into ACOA.

Once again, the Conservative government deals a low blow to the island of Cape Breton. The Cape Breton Development Corporation is a major employer on the island, employing approximately 3,000 people. Now all of these jobs are at risk.

To add fuel to this fire of devastation, the amalgamation of Enterprise Cape Breton Corporation into ACOA will remove local control from the island. This means there will be no designated budget for this corporation and little emphasis on promoting economic diversification on the island.

These two manoeuvres will add to the already desperate economic conditions that plague the region.

The Mulroney government is continuously sneaking out of its commitment to this region of the country. The Conservative government has abandoned the people of Cape Breton and the communities that are struggling to survive. The only sense of unity this government has been successful at generating across this country are the feelings of hopelessness and economic desperation.

* * *

CHILDREN AND HOSPITALS WEEK

Mr. Doug Fee (Red Deer): Madam Speaker, this is the thirteenth annual Children and Hospitals Week. The theme this year is commitment to caring. The goal is to increase public, parental and professional knowledge about the need for sensitive and appropriate care for children.

This week includes special activities such as health fairs, hospital tours, school programs, teddy bear or doll clinics and the distribution of resource materials.

Children and Hospitals Week is sponsored by the Association for the Care of Children's Health. It is an international, multi-disciplinary association of health care providers, organizations and parents committed to improving the quality of health care for children and their families.

I applaud the association and its members for promoting their commitment to caring for the well-being of children, and I invite members and indeed all Canadians to participate in local activities.

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THE CONSTITUTION

Mr. Rod Murphy (Churchill): Mr. Speaker, this weekend I and the member for Prince Albert—Churchill River, on behalf of the New Democratic Party, attended the First Peoples and the Constitution conference held in the Parliament Buildings.

The conference was a success in bringing native constitutional concerns to many non-aboriginal Canadians. Métis, Indian and Inuit representatives, including native women, discussed their goals, constitutional objectives and their vision for aboriginal people in our country.

The conference did not solve all disputes but problems and concerns were addressed, not avoided.

All those who planned and participated deserve to be commended. Their example of working together in open dialogue should be followed as we attempt to solve the constitutional issues that this nation faces.

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HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Madam Speaker, I would like to share with the House some of the excellent comments and advice my constituents are giving me.

James Fisher of Burlington writes:

> If you do nothing else before the next election, continue to hold firm on costs, the GST, et cetera and bring the deficit down. If you can do that your party will gain credibility (and votes?). Remember your own survey showed the federal debt is a main concern of your constituents.

R. A. Law of Glen Williams writes:

> Don't give in to people who can't take the austerity measures you are using. We must keep our deficit down.
>
> Eliminate duplication of government levels which are everywhere.

Donna and Mark Bowman of Bolton write:

> The Quebec issue must be cleared up with Quebec staying in a new "fighting trim" Canada. it has been necessary to trim the fat and lower expectations if we are to survive in the world marketplace. Inflation had to be brought under control. Our federal deficit is a continuing worry as is the status of our political leaders in the minds of Canadians.

Finally, Graham Duff of Cheltenham writes:

> We have to reduce government spending, government involvement and the civil service.

Madam Deputy Speaker: The hon. member's time has expired.

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TURKEY

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, on Friday Canadians learned of a devastating natural disaster, an earthquake in Turkey, which was followed on Sunday by a second with the possibility of a third yet to come.

I am certain I speak for everyone in this House in expressing sympathy to the people of Turkey and to their families here in Canada.

As well, I appreciate that the Minister of External Relations and International Development swiftly routed $350,000 from CIDA to the emergency relief fund.

Canadians have always demonstrated a generosity of spirit toward those in need after natural disasters. There is an immediate and desperate need for medicine, doctors, tents, warm clothing and rescue crews to dig for survivors. In the longer term there will be a need for housing, hospitals, food, and medicine.

Through either the various local Turkish earthquake relief funds or through the Red Cross, I urge Canadians to supplement the government aid, which is only a fraction of what will be needed for recovery from this massive devastation.

* * *

REFORM PARTY OF CANADA

Mr. Scott Thorkelson (Edmonton—Strathcona): Madam Speaker, Canadians must be made aware of the Reform Party's doublespeak. The Reform Party of Canada put up billboards across Canada advertising that the Reform Party will run its election campaign how Canada should be run, debt free.

Now the Reform Party is encouraging members to buy life insurance, name the Reform Party as the beneficiary, and then transfer the ownership of the plan to the party. The member forks over the funds to the Reform Party for the policy's upkeep which secures themselves a tax deductible receipt for a donation to a political party. In addition the Reform Party then borrows against the policies to fund its federal election campaign.

How will this massive program of massive borrowing be debt-free for their party? There are contradictions here that Canadians must know. The Reform Party said it will run its election debt-free and then it puts into place this policy so that it can borrow large sums of money to run its campaign.

Preston Manning has spoken out—

Madam Deputy Speaker: I am sorry. The time has expired.

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BREAST IMPLANTS

Ms. Mary Clancy (Halifax): Madam Speaker, in the Victorian era hysteria was considered an illness characteristic of the mentally unstable gender: the females.

It was argued that hysteria was tolerated and encouraged by the male dominated medical profession as an outlet for women's frustrations because such expressions of discontent did not have the power to effect socioeconomic and political change.

Discontent with their status quo expressed through political agitation at the time would have been more dangerous.

Today one wonders just how much has changed. Women who have protested and asked for a ban of the Meme implant on the basis of its perceived hazards have been dismissed as hysterical. They have been called medical terrorists for raising doubts about the medical viability of such devices. They have been silenced when they have put forth evidence of their own mutilated bodies as living proof of the problems associated with their implants. They have been treated as hypochondriacs and deemed hysterical for thinking that their sufferings were imaginary.

• (1410)

Madam Deputy Speaker: I am sorry, but time has expired.

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EL SALVADOR

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I ask the Minister of Employment and Immigration to review the current refugee policy for claimants from El Salvador.

While we all laud this country for reaching a peace settlement, the fact is that El Salvador is still not safe for all of its citizens.

British Columbians have rallied behind the Garcia family whose claim to remain here in Canada has been rejected. There is every reason to believe that the Garcias would be in danger if they are returned to El Salvador.

Mrs. Garcia was under suspicion just for being a trade unionist. While living in El Salvador, the family car was riddled with bullets, the family home was bombed and the Garcias were held hostage for 11 days.

Just last week, a trade unionist was assassinated in El Salvador. Incredibly, the Immigration Department feels that this is a safe environment.

I ask the Minister of Immigration to look realistically at the situation in El Salvador and to review the claim by the Garcias. This could be a matter of life and death.

Madam Deputy Speaker: I am sorry, the time has expired.

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MUNICIPAL INFRASTRUCTURE

Hon. Alan Redway (Don Valley East): Madam Speaker, while financing municipal infrastructure may not, in normal times, be the responsibility of the federal government, it clearly is the federal government's responsibility to institute policies that encourage competitiveness and full employment.

The Minister of Finance recognized the link between infrastructure and competitiveness in his budget speech when he said: "At the recent First Ministers' meeting many governments stressed the important contribution that adequate infrastructure makes to our competitive position. The Government of Canada agrees that this is important".

At the same time, there can be absolutely no doubt about the link between job creation and a works program to build and repair infrastructure needed to help make us competitive.

At this abnormal time, when we desperately need to improve our competitiveness and create jobs, the government must initiate a fiscally responsible program to finance the upgrading of municipal infrastructure.

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PRIME MINISTER'S OFFICE

Mr. Mike Breaugh (Oshawa): Madam Speaker, according to *The Citizen* this morning, it cost last year $840,000 to supply the Prime Minister's Office with information. The study by Brad Mann Communications Consulting Inc. found that the sheer volume and variety of clipping packages means that some of these products are not being used.

If you think it is expensive to get all this information into the Prime Minister's office, take a look at the other side of the coin. Stevie Cameron, writing in *The Globe and Mail* this morning, reports that last year when she asked for information on redecorating the Prime Minister's official residence, the government asked for $19,000 as a fee for providing that information.

The government is now saying that all of those agencies that do annual reports simply cannot afford to do that any more. Maybe we should all get hold of Brad Mann Communications Consulting and see if we cannot straighten out what is an obviously very expensive problem where it costs too much money to get information to the Prime Minister and he does not have any left to provide the Canadian people with any information on his own.

* * *

THE CONSTITUTION

Mr. Willie Littlechild (Wetaskiwin): Madam Speaker, this past weekend's constitutional conference highlights a week of tremendous advancement for aboriginal peoples in Canada, beginning with a Special Joint Committee on a Renewed Canada recommending the entrenchment of an inherent right to self-government, this Chamber's recognition of Louis Riel's contribution to Confederation and leaders of the four national aboriginal organizations being invited to become full participants in the constitutional process of the Canada round.

Yesterday, the sixth conference of First Peoples and the Constitution concluded on a very positive note under the excellent leadership of co-chairs Premier Joe Ghiz and ICC President Mary Simon.

Issues on the inherent right to self-government, jurisdiction and responsibility, implementation and the First Peoples' recognition were deliberated with enthusiasm.

A very positive message was also sent to Quebec by the aboriginal peoples in seeking a strong united Canada.

I rise today to ask this House to join me in thanking our Prime Minister, the right hon. Brian Mulroney, and the Minister for National Unity, the right hon. Joe Clark, for making all these successes possible.

Madam Deputy Speaker: I am sorry, the time has expired.

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KOREAN VETERANS

Mrs. Diane Marleau (Sudbury): Madam Speaker, on June 17, 1991, the government announced the awarding of service medals for those who took part in Canada's military operations in Korea.

The Minister of Veterans Affairs stated in a press release that: "The Canadian Volunteer Service Medal for Korea recognizes the major contribution of those volunteers who served with United Nations' Forces in Korea". Canada is the only member of the Commonwealth to give our Korean veterans this distinct recognition.

I fully realize that a medal is but a token which Canadians can offer to reflect the magnitude of the sacrifice of those volunteers who served in Korea. I would like to inform this House that there are Korean veterans in Sudbury who have received the medal, yet there was no ceremony to mark the occasion. Instead they received the medals in the mail along with a form letter written on behalf of the Governor General.

I think it is shameful the way the government has overlooked Sudbury's Korean War veterans who served with distinction, especially since—

Madam Deputy Speaker: The hon. member's time has expired.

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RESEARCH

Mr. David Bjornson (Selkirk—Red River): Madam Speaker, a unique union of science and business is being fused in Winnipeg, resulting in the establishment of a world class diagnostic research centre, thanks in no small way to a $7 million contribution from the Department of Western Economic Diversification.

By the time the centre becomes fully operational in September 1993, it will have a staff of 70 with up to 30 visiting researchers. Considering that the international market for biodiagnostics is expected to grow to over $50

million over the next five years, Manitoba is now well positioned to reap substantial benefits from this new and exciting growth industry.

Along with the Health Science Centre of the University of Manitoba and the Centre for Disease Control, this new research centre will elevate Winnipeg into one of the world's premier centres for medical research.

Madam Speaker, I would just like to remind the House that yesterday Mr. Vic Peters and his rink won the national curling championship, so that is number two for Manitoba this year.

ORAL QUESTION PERIOD

[*English*]

TRADE

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the Acting Prime Minister.

There is a report in today's *London Free Press* about a speech made Saturday by the Secretary of State for External Affairs. At a meeting of the Progressive Conservative Campus Association at the University of Western Ontario, the minister said that Canada would be better off to wait a few years before signing a North American free trade deal.

I want to ask the Acting Prime Minister: Is this the position that the government will be taking when the Prime Minister has his telephone conversations with Presidents Bush and Salinas, that Canada does not want to sign a trade deal at this time?

Hon. Barbara McDougall (Secretary of State for External Affairs): Madam Speaker, I read the same article in the *London Free Press* this morning. I must admit that I was surprised to find myself in it, based on what I actually said.

The point that I was making to the students in response to a question was that it would always be very nice to do things in boxes, to do the free trade agreement, to do GATT, to do the NAFTA in a little box, but that is not the way life works. I never in any instance called for a delay in the agreement because these negotiations are going to lead to more jobs for Canadians and better trading arrangements throughout North America.

Ms. Sheila Copps (Hamilton East): Madam Speaker, in the statement to the students the minister said that the federal government is "happy to be involved, but I would like it to have come a little later when the country is in better economic shape".

I would like to ask the Acting Prime Minister whether in his conversations with Presidents Salinas and Bush the Prime Minister will be asking them to delay the deal until the country is in better economic shape, as his colleague has suggested, or is he in fact taking another different secret tack?

Hon. Barbara McDougall (Secretary of State for External Affairs): Madam Speaker, first of all that is not what I said. The hon. member is reading from a newspaper article. There is some semblance of accuracy in this, but they have missed the main point of what I was saying. The point that I was making was that the greater trading relationship will be of assistance in providing jobs for Canadians and in growth in this economy.

I continue to stand by that and so does the government.

Ms. Sheila Copps (Hamilton East): Madam Speaker, I spoke to the reporter and he stands by his story. It will be interesting to see who is actually telling the truth in this one.

An hon. member: Oh, oh.

Some hon. members: Order.

[*Translation*]

Ms. Copps: Even the Secretary of State for External Affairs has admitted it is not the right time to sign this three-way trade agreement. Furthermore, the Prime Minister must be aware of the GATT report which says that today, regional trade agreements are weakening the global trading system.

• (1420)

How can the Prime Minister be so obsessed with signing another agreement with the United States and Mexico that he would ignore the GATT report and the interests of Canadians?

[*English*]

Hon. William C. Winegard (Minister for Science): Madam Speaker, it is well known that the Government of Canada has always supported the GATT system. However, that does not mean that we are not prepared to proceed with the free trade agreement, the new NAFTA, because we believe that trading agreements, particularly if we can carry over things from the FTA into GATT, are bound to be good for the whole world, not just Canada.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, my question is directed to the Acting Prime Minister and concerns Ideal Equipment Co. Ltd. in Montreal, which produces sewing machine parts in Mexico. As a result of this transfer of the company's operations to Mexico, 110 jobs in Montreal have been lost.

In the light of the proposed free trade agreement with Mexico, could the Acting Prime Minister inform the House how the government will prevent an exodus of manufacturers from Montreal, where the average wage is $14, to Mexico, where the hourly wage is $3?

[*English*]

Hon. William C. Winegard (Minister for Science): Madam Speaker, the question is always the same. Somehow or other, if any country has lower wage rates than Canada, we are not supposed to be able to compete. You compete because of good management and because of good technology. These things Canada has.

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, the government in the last election and during the negotiations of free trade with the United States promised generous retraining programs. The government has failed to deliver such programs.

In case there is a free trade agreement with Mexico, can the government promise a generous adjustment program, and this time deliver?

Hon. William C. Winegard (Minister for Science): Madam Speaker, Canada has one of the most generous training programs in the world and we intend to continue.

Mr. Prud'homme: Go to Mexico.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Acting Prime Minister.

Many times in the House I have raised the issue that Canadians have a right to have a full debate in the House of Commons with their representatives on the projected trade deal with Mexico. There are a lot of concerns in Canada about the results of the Canada–U.S. trade deal. Millions of Canadians are worried and anxious about what this government is trading away this time.

Today we hear that the Prime Minister will have a telephone conversation with Presidents Bush and Salinas. We do not know what the content will be. Canadians do not know the content. We also see that the government is offering a secret briefing to committee members. When is the government going to talk to the Canadian people to allow a full debate on this trade deal with Mexico? Canadians have a right to know. Why is the government being so secretive?

Hon. William C. Winegard (Minister for Science): Madam Speaker, the leader of the New Democratic Party knows that we have a whole system in place for consultation with the SAGIT system and that continues to operate.

I would think that she might wait and listen to what the minister has to say to the committee on Thursday.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, every time in this House we ask on behalf of Canadians to have some information, we are told to wait.

Now we hear there will be a telephone conversation today between Presidents Bush and Salinas and the Prime Minister where details of the trade deal are going to be discussed. Canadians do not want to wait until after a deal is signed to find out what has happened to shape the future of Canada. I ask the Acting Prime Minister why does he not, on behalf of his government today, come clean with Canadians and tell Canadians what is happening in this debate so that we can have a full discussion in the House of Commons?

Hon. William C. Winegard (Minister for Science): Madam Speaker, I am sure if the President of Mexico wishes to have a three-way conversation, that conversation may well take place.

Mr. McCurdy: Open the door.

Mr. Winegard It is just ludicrous to believe that the three principal heads of government are going to negotiate over the telephone.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my supplementary is directed to the Deputy Prime Minister.

The government thinks it is consulting. In June, Canada's chief negotiator said that the Government of Canada would consult Canadians. However, the government has refused to allow a debate here in the House of Commons to give Canadians more information.

The *Financial Post* has information; the Mexicans have information; and U.S. senators also have information. Where is the information to which Canadians are entitled?

[*English*]

Hon. William C. Winegard (Minister for Science): Madam Speaker, the opposition has had an opportunity in committee to hear everything the minister has to say about the NAFTA. Last week we sat through a whole day debating the issues around the North American Free Trade Agreement. There is another meeting scheduled for Thursday. There are all kinds of opportunities for the opposition parties to learn what this agreement is about.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I want to go back to the Secretary of State for External Affairs and her famous London speech where she is quoted as saying that the the minister would like to have the North American Free Trade Agreement come a little bit later because Canada is not ready for it yet.

I want to ask the minister why this government is allowing itself to be pushed into another trade deal through a quickie conference call when the minister herself admits that Canada is not ready for such a deal and that it is far too early to make any judgement upon its impact. Why are we allowing ourselves to be pushed around with somebody else's timetable?

Hon. Barbara McDougall (Secretary of State for External Affairs): Madam Speaker, I think this is really a silly line of questioning. I have already explained the context in which I made the remarks. I also went on to point out the great advantages to Canada that would come from a North American Free Trade Agreement, including to our telecommunications industry among others, where there is great demand in Mexico for some of the things Canada is very good at. It was well received by the students and I think it should be well received by the House.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, in 1988 we got the same assurances that there would be thousands of jobs created in Canada. The minister in the same speech conceded that there have been major disruptions as a consequence of the Canada–U.S. Free Trade Agreement.

I want to ask the minister how this government can support another trade deal without knowing how many jobs would be lost. How can Canadians trust any deal this government negotiates when they know, to use the minister's words, the major disruptions that have been experienced as a result of the first trade deal it got us into?

Hon. Barbara McDougall (Secretary of State for External Affairs): Those are the hon. member's words, not my words.

What is important for the future is that the world is moving toward more open trading situations, including Canada, the United States and Mexico. We are doing it through the GATT round and through NAFTA, because that is where the future of this country lies in terms of jobs. We have had increased investment in this country as a result of the free trade agreement. That is going to lead to more jobs in the future. So will the free trade agreement with Mexico and the United States. Because in the 1990s we cannot bury our heads in the sand like the Liberals did for 20 years.

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BREAST IMPLANTS

Mrs. Beryl Gaffney (Nepean): Madam Speaker, my question is to the minister of health.

Private Members' Bill C–279, an act to amend the Food and Drugs Act, was debated in this House this morning. The purpose of this legislation is to ensure that people are protected from dangerous or potentially dangerous breast prostheses.

I would like to ask the minister why, if the current legislation under the Food and Drugs Act is sufficient, did it take 10 years for the government to recognize the health hazards pertaining to the Meme and the silicone gel implants and to eventually decide to remove both from the market? I would like to know why and everybody in this House would like to know why.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I already answered that question many, many times.

Ms. Copps: You never answered.

Mr. Bouchard (Roberval): Yes, I did. I repeat what I said. I will share something with my colleague, that the health of women is the paramount issue we have to keep in mind here. At the same time all those operations were done over many years. The decisions made by her own government before 1984 and those made since 1984 were made in light of the information we have on the question of the breast implant. As soon as I had information which led me to believe that we have to be prudent with that operation, we did what should be done. The Meme breast implant was withdrawn from the market in June and in January we decided to remove all breast implants from the market. Even if the preliminary report from the United States, which she knows very well, was such that in the United States they considered re-installing the silicone gel breast implants back on to the market, I said, and I repeat what I said at the time: I do not have the evidence now that it should be returned on the market. As far as the department and myself are concerned, we do not intend for now to put those breast implants on the market.

• (1430)

I think it is what my hon. friend is looking for and it is what we are looking for also. I understand and I agree with her that all has to be done to protect the health of women. I believe, with all honesty, that that is what I did since I have been Minister of National Health and Welfare.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, one minister after another has consistently told this House about information received, investigations done, reports that failed to prove implants are hazardous to the health of Canadian women. We have heard this consistently. If there are so many reports and so much information is available out there, will the minister table those reports in this House today so I can see them, too?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, information on breast implants, both in Canada and the United States, has in general always been available to everyone. Recently, at Food and Drug Administration hearings in the United States, to which we sent a multi-person committee that attended the presentation of briefs, everything was available. There is no question of the minister hiding any information whatever. The only issue here is whether or not certain medical devices can be used. For the time being, they are not available and I just said in English that I do not intend to allow them to be sold in the coming weeks.

So I think that I have answered the hon. member's first question to me.

[*English*]

Mrs. Gaffney: Table them in the House.

Ms. Clancy: Show us.

* * *

RETRAINING

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, my question is for the Minister of Employment and Immigration and it concerns retraining.

I was pleased to hear from the minister in a letter dated March 6 that UI recipients could now qualify for two or three consecutive years of retraining rather than one year. Legislation has allowed the two or three year option, but different policies and a lack of guidelines for employment counsellors across the country left applicants in limbo.

Will the minister now assure all eligible Canadians that two or three year retraining is a national government policy and will be applied right across the country?

Hon. Bernard Valcourt (Minister of Employment and Immigration): What I can assure the member of is that developmental use of UI, which I know the opposition strenuously opposed when we brought this forth, will go on and will take place. The Labour Force Development Board has made recommendations to the government to increase the training under UI by $300 million in this

fiscal year. We have accepted their recommendation. We will be spending $300 million more.

As to the issue of how and whether every Canadian unemployed can qualify tomorrow morning for two or three years of training, I cannot say that because that program of retraining is developed according to the needs of the regions of the country. In certain areas for certain trades, yes, this is possible; for others it is not. But this is a developmental program that will continue. I think that unemployed Canadians will benefit from it.

Mr. Steve Butland (Sault Ste. Marie): The minister probably knows that in B.C. the answer is "yes"; in Newfoundland it is "maybe", and in Ontario it is "no" to two or three years of retraining. So it is an inconsistent policy. The policy was inconsistent, now it is unjustifiable. The new policy states that you may seek two or three years of retraining at a community college, but not at a university.

The minister is dictating the type of training an individual must pursue. Will the minister reverse his decision and allow UI recipients to attend either a community college or a university?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the Labour Force Development Board and the government are open to any suggestions for trying to improve how we train Canadians.

We have under the Prosperity Initiative led by Madam Marie José Drouin and David McCamus groups of people throughout the country looking at the whole training system we have which includes both the trade side and the post-secondary university side of it.

If the hon. member or his party have suggestions, I am sure that they would be considered because this is about trying to equip Canadians with the tools they need to keep this country competitive. Any suggestions in that regard will be welcome.

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YOUTH EMPLOYMENT

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my question is for the Minister of State for Youth.

The government has not yet announced the budget for Challenge '92 program, the student summer employment program. In view of the massive levels of student unemployment, around 15 per cent last summer and expected to be worse this year, surely a decision is needed now. When will the government respond to the real and pressing employment needs of Canada's students? When?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, as my hon. friend knows, the program is going on known as Challenge '92, as he called it, and the numbers and details should be announced as soon as possible.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my supplementary is directed to the same minister. We are now in one of the worst recessions in Canada's history. Students have to cope with all kinds of additional costs for education, and I am thinking of the GST and the alarming increase in tuition fees and other expenses.

Students feel utterly helpless. When will this government produce a student employment policy that is commensurate with their needs?

Hon. Pierre H. Cadieux (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, of course I do not agree with the hon. member's opening remarks, especially about this being the worst recession, because I am sure everyone will recall that the worst recession was in 1981-82, when the hon. member's party was in power.

As for the summer program, with which the hon. member is familiar since he referred to it as Challenge '92, it is an excellent program which we have had for a number of years and which will still be around this summer. The figures will be announced as soon as possible, probably this week, and I am sure the hon. member and all students will be delighted.

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BILL C-55

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, my question is directed to the President of the Treasury Board. Bill C-55 would give the Conservative Government the power to do serious damage to public service pensions. The government could give itself a premium holiday by refusing to pay employer contributions identical to those paid by the employee. It could change the rate of interest on the pension fund, without consultation. It could reduce indexation, and it could do

all that by regulation, without going before Parliament or submitting to committee scrutiny.

Is the government aware of the devastating impact Bill C-55 will have if it keeps supporting these clauses in the bill? Is it prepared to withdraw these clauses, at the very least?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I think the hon. member should have asked me a few questions about this matter privately, instead of believing every thing he read in a press release by PSAC, the Public Service Alliance of Canada, which appears to be particularly keen on drawing our attention to problems that are non-existent, since the government has no intention of doing what the hon. member just said. PSAC is now appearing before the Labour Relations Board because of its actions during the strike. Understandably, they would like the public to believe all this, but the government has no intention of doing what the hon. member said.

In fact, when I tabled Bill C-55, I announced in the House that any problems concerning financing, indexation, and so forth, would be examined with the unions at the appropriate time. The purpose of Bill C-55 is to bring pension legislation into line with the Income Tax Act.

[*English*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, Bill C-55 is a sugar-coated poison pill.

• (1440)

In 1984 the minister said: "Have confidence we will not do it". Why put it in the bill if they are not going to use it? They promised they would never deindex Public Service pensions and today they are proposing exactly that.

Bill C-55 could be used together with the Income Tax Act to deindex the Public Service pensions of Canada.

To use the words of a union leader this morning: Why is the government using such sneaky and sleazy methods by giving itself the power to change pensions by regulations rather than coming before Parliament for public scrutiny and legislative approval?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I suppose that the hon. member, being from the Ottawa region, pays great attention to statements that are made by the unions. With respect to the truth, I will be appearing in front of the House committee tomorrow to discuss Bill C-55. It does nothing of the sort that the hon. member has indicated.

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YOUTH EMPLOYMENT

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, my question is for the Minister of State for Youth.

Almost every year for the last 10 years the Challenge program in support of summer employment for students has been announced in February. It has not yet been announced by the minister, although he has his press release half prepared.

Will the minister confirm that in fact his shyness with respect to the Challenge program is because the funds will be frozen once more as they were last year in spite of rising unemployment rates among students?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, since my hon. colleague seems to be well informed in the sense that I have a half prepared press release, it is a good reason for me not to release it.

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, I am sure that the students across this country are going to be very much amused by the minister's facetiousness.

I ask him once more to let the students across this country, whose unemployment rate is 15 per cent, know this weekend whether there are any serious prospects for them having jobs.

I ask the minister: Where is the funding necessary to double the number of mathematicians, scientists and engineers, that this government says should be done, if it is not prepared to put money in the pot? What is going to be in the Challenge program in 1992?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, as my hon. colleague knows, although he seems to be losing his cool today, the program has been announced and numbers will be made public as quickly as possible.

I am sure that the students are going to be more amused with the numbers than my colleague's facetiousness.

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[*Translation*]

RAIL PASSENGER SERVICE

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, my question is for the Minister of Transport. CN has appealed the National Transportation Agency's decision to maintain service on the Franquet-Chapais subdivisions in Abitibi. Can the minister tell us today when this case will be heard?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I note again that my colleague from Abitibi is very involved in this issue, which he really cares about. I commend him for that, but unfortunately, I do not have the authority to decide when cases will be heard in court.

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[*English*]

IMMIGRATION

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, my question is for the minister of immigration.

The minister ought to know that the investor immigrant program is in jeopardy and our reputation in the Pacific Rim is being tainted. Investor immigrants from Hong Kong and Taiwan thought they were buying western Canadian real estate. Instead their money was spent on rural Saskatchewan gold mines. The prospectus of the offering was approved by the federal government. Therefore, the minister is ultimately responsible.

What will the minister do to protect the investor immigrant program so that people who are thinking of investing their fortunes in this country can do so with some confidence and some assurance that this government will look after those investments?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Absolutely, Madam Speaker, that is the objective of the government in implementing the investor program. If the hon. member has a suggestion as to how we can improve it, we are in the process of revisiting the whole program to ensure exactly that and also to make sure that regions in Canada do benefit from that program. If the hon. member has suggestions to make, I will be pleased to consider them.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, the Hong Kong and Taiwanese investors the minister will know invested in Canada, much of it in western Canada, approximately $4 billion in 1990 alone. The federal investor immigrant program is sponsored by the Government of Canada, not by the province of Alberta in this case. The individual in question was acting as a private individual at the time these allegations took place.

Two hundred and seventy-eight Pacific Rim investors want to know why $34 million went to a gold mine in Saskatchewan instead of shopping centres elsewhere in the province.

What will the minister do as minister today to ensure that Canada's name is not further tainted in the Pacific Rim which is very important to western Canada and all of Canada in terms of investments?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, the hon. member is referring to a case that is before the courts and as soon as the courts have dealt with this case—

Mr. Kilgour: Three years from now.

Mr. Valcourt: I know Liberals would jump the court. I will not. I am going to await the decision of the court in this matter. If it calls for a change to the way we are dealing with the investor program, we will do that because we pursue the same objectives that I am sure the hon. member wants for Canada. Any change that can improve this program will be made.

PEARSON INTERNATIONAL AIRPORT

Mr. John Manley (Ottawa South): Madam Speaker, my question is for the Minister of Transport.

In tabling a document on Friday the minister implied that the Ontario government supported his plan to start privatization of Terminals 1 and 2 at Pearson airport.

In fact the report he tabled states that the government's plan could seriously prejudice financing for the future of the airport.

In view of the fact that every responsible group, both in the private and public sectors, questions the minister's timing and his motives on this announcement why is the government in such a hurry?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, when I answered the hon. member's question in the House on Friday, I mentioned and, in fact, showed him a document that had been distributed at a meeting with the Minister of Transport, the Minister of the Environment and four or five mayors from the Toronto area last Monday evening. At the time, the government mentioned something very important, and I quote:

[*English*]

The analysis presented has been prepared by a team of airport consultants using information collected over the course of several years and where necessary professional judgment. However it would not be prudent to make business decisions on the basis of the analysis presented in the document.

Mr. Stan Keyes (Hamilton West): Madam Speaker, what is clear to Canadians and what is clear to those stakeholders at Pearson airport is that this minister's drive to privatize is nothing more than politically motivated. It is a pathetic attempt to rescue Tory seats in Toronto.

Will the Minister of Transport do the right thing, right now, and withdraw his request for proposals and have another look at all the alternatives being presented to him by the stakeholders of this country?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, judging from the preamble the hon. member is asking us to hold the RFP back because if we do proceed it might give us some additional seats in the region at the next election.

If that is right it would certainly be because this proposal is going to create 3,200 jobs for people in the Toronto area for five years.

* * *

CHILD POVERTY

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, in 1981 there was one food bank in Canada. Today there are close to 300. Two million Canadians, including 700,000 children depend on food banks. My question is for the minister of health.

The new child benefit package gives a small top-up to working poor families, but not to families on social assistance which is creating the "deserving poor" and the "undeserving poor" in Canada. It categorizes and penalizes children for their parents' situation.

Why has the government taken out an advertisement in all Canadian newspapers claiming that this is the fairer way, the simpler way, the more generous way? Are these benefits for children or are they for some Tory right-wing agenda?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, obviously the terms of reference for us are not those for the NDP. There is no government in the world that can sustain the kind of approach the NDP is going to have in terms of resources. What we do is we use the resources we have and we say to Canadians: "Here is the best way we can provide help to Canadians".

• (1450)

I agree that as long as there are children going to food banks, we have to do the best we can to correct the situation. The reality is, however, that the resources we have in the budget are being used to help the families of low-income workers and I appreciate the member is against that.

Second, I said that soon we will announce a package for children at risk, where a lot of the children she is talking about will be targeted in a way that we can give more help than now. But there is no doubt that it has to be done within the capacity that we have to pay for it. She can be sure that certainly that is what we will do.

Oral Questions

BREAST IMPLANTS

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, the Minister of National Health and Welfare stood in this House today and told us that breast implants had been withdrawn from the market and that they will not be put back on the market.

It is true that some manufacturers have ceased production of implants but there are thousands of previously distributed implants in hospitals and doctors' offices. Only three weeks ago Quebec plastic surgeons held a press conference to announce that they believe implants to be safe.

My question for the Minister of National Health and Welfare is, what is the minister doing to ensure that implants are not being used? Second, what will the penalty be if a doctor were to violate the voluntary removal of the implants?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I cannot prevent the Plastic Surgeons Association of Quebec from asking for what they want. The question is that I did not say yes. That is what the member wanted me to do and I did it.

Second, when she is referring to the manufacturers, she should certainly look at the press release I gave out when we created the advisory board. I said explicitly that I asked the department to trace the manufacturers to be sure that no silicone gel breast implant would be given to any surgeon here in Canada from now on.

She knows very well that we did what should be done. The fact of the matter is that the silicone gel filled implants are not available on the market and they will not be in the future. That is exactly what the member wanted.

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[*Translation*]

MORDECAI RICHLER

Mrs. Pierrette Venne (Saint-Hubert): Madam Speaker, for a week Quebecers have been the victims of hate propaganda. They have been called a mean-spirited racist tribe in public. Quebecers' symbols are mocked in order to publicize a book by Mordecai Richler.

Does the government intend to ban this book as hate propaganda? Does the government intend to use the Criminal Code to ban this book, as the Code allows it to do?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Madam Speaker, there are two points. First, if the Criminal Code is violated, there will of course be a response.

Second, I think that it would be informative for Canadians to know the Bloc Québécois' position on the freedom to publish; they want to know the Bloc's position on fundamental rights in Canada.

Mrs. Pierrette Venne (Saint-Hubert): Madam Speaker, that is no way to answer Quebecers about hate propaganda. Certainly not. The Criminal Code clearly says in section—

Madam Deputy Speaker: Would the hon. member please put her question?

Mrs. Venne: Yes. Madam Speaker, I would like to know whether the government intends to use section 319 of the Criminal Code, which clearly mentions public incitement to hate and fomenting hatred.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Madam Speaker, I believe that I just answered that question. The law is there. If there is a reason to invoke the law, the government is ready to do so. I hope that is the answer sought by the hon. member, except that she may have some other motivation.

* * *

[*English*]

CHILD POVERTY

Mr. David Walker (Winnipeg North Centre): Madam Speaker, my question is for the minister of health.

The federal government announced three weeks ago in its budget that it was cutting back on advertising, yet last week the minister of health found $500,000 for advertising across the country of a so-called child benefit package.

How did the minister find this money when he was unable to find any extra money for Canada's poorest of poor children?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, the budget did not say that we will not inform Canadians. The budget said that we will look at the way we use advertising to keep Canadians informed.

I am amazed to hear from the member that he does not agree with all the phone calls we had at the Department of National Health and Welfare asking for more information in the form of child benefit packages that we could not provide that information.

The best way to do that was to advertise in newspapers. We first did it nationally. We will do it now regionally and even with the aboriginal newspapers to be sure that Canadians are aware of the good news.

Mr. David Walker (Winnipeg North Centre): Madam Speaker, since the minister knows that under the present program family allowances are universal and that he mentions in his own advertisement that all family allowance cheques are going to include publicity, I fail to see why he has to spend another $500,000 informing Canadians.

Statistics Canada, the government's own agency, admitted that we have 292 food banks in Canada and four out of ten Canadians using these food banks are children. Instead of buying ads perhaps the minister will consider buying food.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I have already answered that question, but for the instruction of my friend, I will repeat what I said.

Everybody agrees that we should not have food banks. But we know very well, and he knows very well, the reasons they are there. We have to deal with that. That is exactly what we are doing with the child benefit package. We are trying to provide more income for low income workers to be able to deal with that.

All members of this House should be trying to do their best so that we can cope with that in the future.

Once again, I will announce a major package for what we call children at risk and within that group we also have those children that he is talking about. Nobody in the world has the resources that the NDP has. In the provinces where they are it is amazing to see that they do not cope with those kinds of problems either.

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GOVERNMENT TRAVEL

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is to the acting Minister of Supply and Services.

Last fall the government gave the lucrative government travel contract to Rider Travel rather than Marlin Travel. In so doing the computer reservation system for tickets was transferred from Canada to the United States to a subsidiary of American Airlines.

I want to ask the government why it transferred these high-tech computer jobs to the U.S.A.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, perhaps I could take that question on behalf of the Minister of Supply and Services.

As the hon. member knows, we have for some years now had a process of having the private sector arrange for travel for public servants and government travel. In the process we have saved Canadian taxpayers hundreds of thousands of dollars each year.

The specifics of what the hon. member is talking about will be looked into and I am sure the minister will get back to him.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, according to the *Canadian Travel Press Weekly*, every time a member of the House or an official uses Rider Travel, three dollars in royalties for the computer system go to the United States. What will the government do to repatriate this money and the jobs which it has exported to the United States?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, again as I indicated earlier, I will look into the particular accusations the hon. member has raised.

What the hon. member seems to be suggesting, in this area as in so many other areas, is that the option for Canada is to opt out of the world.

• (1500)

ALLAN MEMORIAL INSTITUTE

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, my question is for the Minister of National Health and Welfare.

I have before me a letter from one Richard Clements of Vancouver who 30 years ago was the subject of brainwashing experiments at the Allan Memorial Institute in Montreal. They were sponsored by the CIA and the Canadian government.

Mr. Clements wants to know and I want to ask on his behalf: Will the government settle these cases so that a person like Mr. Clements can finally have justice after 30 years?

Hon. Benoît Bouchard (Minister of National Health and Welfare): What I can tell the member, Madam Speaker, is that that case, as with many other cases, is being considered by the Department of Justice. Unfortunately the minister is not here today, but we are informed that the Minister of Justice should be able to give that information soon.

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HEALTH

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my question is also for the Minister of National Health and Welfare. It is a follow-up to the question asked by my colleague from Nepean.

Would the minister indicate why he refuses to table in this House all the reports done in Canada and all the reports which may be in the possession of the Department of National Health and Welfare with regard to the breast implant? Would the minister explain to the House why he refuses to table all of this information?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I first would like to know exactly what document or information the members are talking about. I am ready—

Ms. Copps: What documents?

Mr. Bouchard (Roberval): The member for Hamilton East is always impatient. If she would listen for once I would give the answer to her colleague.

I just want to say that I will look at what information he is talking about that would not be available to the opposition and if it is releasable. He knows very well, in terms of health and that kind of reality, that we cannot always give information which would deal with something that is particularly very delicate.

Once again, if there is any possibility that I can make that available, I will. I have nothing to hide. The question is to deal with health and information the best we can.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, if the minister has nothing to hide, which he has suggested inside the House and outside the House, would he not avail himself of the opportunity to present all the documentation in the possession of his department, Canadian, American, as well as that of other countries, all reports and studies? Will he table all of that information in the House of Commons so that Canadians, and in particular women, will have all of the knowledge and all of the information?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, it is so big that nobody will suffer any illusion about what the member is asking. If he wants all that information and he believes it is being hidden, why does he not ask the committee to work exactly as it should within the operation of the House of Commons?

Why does he want to play politics with something that is not? We do the best we can in terms of the health of people, but I will not give information if that information is secret, if it does not have to be made available.

Once again I am amazed because normally the member for Hamilton East has that kind of approach. I did not believe it could be that contagious within that party.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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NORTHWEST TERRITORIES ACT

MEASURE TO AMEND

Hon. Barbara McDougall (for the Minister of Justice) moved for leave to introduce Bill C–64, an act to amend the Northwest Territories Act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mrs. McDougall (for Ms. Campbell (Vancouver Centre)), moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

PETITIONS

WHALES

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I have a petition from the Sir Frederick Banting Junior Secondary School in Coquitlam, British Columbia.

The students say that in 1982 the International Whaling Commission declared a moratorium on commercial whaling. A loophole in the IWC moratorium, however, allowed for whales to be killed for scientific research purposes and under the guise of science hundreds of whales have been butchered. Some research is conducted. Then the whale meat is sent to the marketplace as an expensive delicacy. Now Iceland, Norway and Japan are threatening to ignore or leave the IWC and start full–scale commercial whaling once more.

The students demand that the international laws be introduced and enforced to eliminate the scientific research loophole so the world's whales can be preserved.

HOME RENOVATIONS

Mr. Mike Breaugh (Oshawa): Madam Speaker, I have a petition signed by about 38 people from the Oshawa area.

They are basically requesting that the Parliament of Canada investigate the possibility of making home renovations tax deductible to the home owner, as has been done in the United States, in the current tax year so that jobs could be created in the building industry and therefore help to stimulate the economy.

CRIMES OF VIOLENCE

Mr. Bill Kempling (Burlington): Madam Speaker, under the provisions of Standing Order 36 I wish to present 64 petitions containing approximately 8,150 signatures of citizens of Burlington, Hamilton, Stoney Creek, Dundas, Mississauga, Oakville, Scarborough, Guelph, Kitchener, Toronto, and other locations in southwest Ontario.

The petition urges the government to stiffen the penalties for violent crime and points in particular to the death of Ms. Nina de Villiers who was brutally murdered on August 9, 1991.

The petitioners ask the Minister of Justice and the Solicitor General to continue to review all legislation that deals with public safety and negotiate where necessary with the provincial authorities to ensure that the laws are amended to reflect the concerns expressed by the petitioners on public safety.

IMMIGRATION

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, on Friday, March 13, close to 1,000 people demonstrated in front of Toronto City Hall to protest this government's bungling of the processing of the refugees in the refugee backlog.

Those petitions have been given to the clerk for approval. The present petitioners here do state that refugee claimants who although successfully established in Canada are being refused landing at the pre–inquiry humanitarian and compassionate reviews.

They humbly pray and call upon Parliament to request the Minister of Employment and Immigration and the Secretary of State for External affairs to accept all persons registered in the refugee backlog who are established in Canada for landed immigrant status at their pre–inquiry humanitarian and compassionate reviews.

• (1510)

CRIMES OF VIOLENCE

Ms. Beth Phinney (Hamilton Mountain): Madam Speaker, I wish to present around 300 petitions which have over 6,000 signatures.

These petitioners feel that there are still very serious deficiencies in the criminal justice system in Canada. There are many vulnerable persons who have little protection under the current system. Women, children and disabled persons are at particular risk.

These petitioners request that Parliament recognize that crimes of violence against a person are serious and abhorrent. They ask the government to amend the Criminal Code of Canada, the Bail Reform Act, 1972, and the Parole Act accordingly.

HUMAN RIGHTS

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Madam Speaker, as the spokesman for international development in the New Democratic Party, I have been receiving a number of petitions.

I have eight of them with me here from people, mostly in Quebec, who are concerned about the trade in humans, the indentured labour between the countries of Haiti and Dominican Republic.

They call upon Parliament, in light of our position, the Canadian position on human rights, to encourage the Government of Canada and the United Nations to take whatever steps are necessary to make sure that this trade in humans is stopped between Haiti and the Dominican Republic.

DOCKSIDE MONITORING PROGRAM

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I have the honour to present petitions on two subjects from my constituents of Cape Breton Highlands—Canso.

The first has to do with the dockside monitoring program. It is from constituents, many of whom are fishermen, who wish to urge Parliament and the government to rescind any further plans for user fees for this program, to absorb the costs and to supply qualified personnel for this program.

The petitioners urge Parliament to withdraw the onerous fees which have been associated with this dockside monitoring program in Atlantic Canada.

MEME BREAST IMPLANT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): The second petition, Madam Speaker, is from women in my constituency and it has to do with the Meme breast implant.

The petitioners urge, humbly pray and call upon Parliament to establish an independent judicial inquiry into the testing and approval process for all medical devices, and in particular the Meme breast implant.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 211, 212, 213, 214 and 231.

[*Text*]

Question No. 211—**Ms. Phinney:**

What is the percentage of disabled people living in Canada today?

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): By the Hon. Michael H. Wilson, Minister responsible for Statistics Canada. Statistics Canada reports:

In 1986, (latest data available) there were an estimated 3.3 million persons with disabilities residing in households and in health-related institutions. This represented 13.2 per cent of the Canadian population in 1986. Data from the 1991 Health and Activity Limitation Survey will be released in September of this year.

Question No. 212—**Mr. Fulton:**

Has the Department of Fisheries and Oceans allocated resources, both human and physical, to conduct a technical evaluation and/or impact assessment studies on the operation of Cominco's large hover-craft (ACV) on the Stikine River system between Wrangell, Alaska and the Iskut Mines and, if so, (*a*) what are the results, (*b*) when will the Department make these studies public?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): (*a*) DFO initiated an environmental screening of Cominco Mineral Limited's use of hover-

craft to transport materials between Bronson Creek on the Iskut River and Wrangell, Alaska, which was originally completed in February, 1991.

The screening report concluded that some of the potentially adverse effects of the hovercraft operations were unknown, and thus the project fell within section 12(d) of the Environmental Assessment and Review Process (EARP) guidelines order. The report recommended that Cominco prepare a contingency plan for prevention, containment and clean-up of spilled fuel and hazardous products, as well as collect additional information to assess the effects of hovercraft operation on fish and wildlife. The project was permitted to proceed on this basis and was to employ a "thalweg" approach to navigation, i.e. keeping to main channels, that avoids fish spawning and rearing areas and commercial fishing operations on the Iskut and Stikine Rivers.

In June 1991, the EARP screening report was revised to incorporate further information regarding the effects of hovercraft operation on fish and wildlife. No evidence was found to indicate that noise generated by hovercraft would be harmful to any life stage of salmon, and keeping hovercraft operation to the main channels of the rivers would minimize disturbance to salmon and other wildlife species. The screening decision was revised to 12(c) after DFO concluded that potentially adverse effects could be mitigated with existing technology.

In response to public concerns, the impact of wake generated by hovercraft operations on the river shoreline was investigated. An inspection of hovercraft operation was made on October 24, 1991. The wave produced by the hovercraft was estimated to be 0.15 metres in height, comparable to waves generated by typical riverboats of much smaller size. The Stikine and Iskut Rivers are very large and dynamic systems, subject to extremely high spring and summer flows and icing during the winter. Erosion is a constant occurrence during widely fluctuating water levels and velocity regimes; thus, disturbances caused by minor boat wake are not significant when compared to the magnitude of natural occurrences.

(*b*) When the finalized contingency plan from Cominco Minerals Limited is received by DFO, the EARP screening report will be revised to incorporate additional information. The report will be made available when the revisions are completed.

Question No. 213—**Mr. Stupich:**

Following the announcement in November 1989 to limit the Pacific Shrimp Trap Fishery, (*a*) how many such licences were granted in each of the years 1990 and 1991 (*b*) how many applications were received (*c*) how many of these licences were granted upon initial application and how many following appeals (*d*) how many appeals were made in each year (*e*) how many appeals were successful in each year (*f*) what were the criteria used to decide eligibility for licences in successful appeals in each year?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): (*a*) In 1990 272 Pacific Shrimp by Trap Licences were issued and 275 were issued in 1991.

(*b*) 523 preliminary applications for a Pacific Shrimp by Trap Licence were received.

(*c*) 129 licences were issued based on initial applications and an additional 146 licences were issued based on appeals.

(*d*) 322 appeals were heard in 1990 and 12 appeals were heard in 1991.

(*e*) 143 appeals were successful in 1990 and 3 appeals were successful in 1991.

(*f*) Each licence appeal was considered on its own merit and considered the personal circumstances of each appellant. The Pacific Region Licence Appeal Board considered all relevant material presented in support of a licence appeal, e.g. sales slips, log books, affidavits attesting to fishing activity or sale of fish, invoices supporting vessel repairs, etc.

The aim of the licence appeal process is to determine if the appellant was treated fairly in accordance with the licensing policies, practices and procedures of the Department of Fisheries and Oceans and if extenuating circumstances existed for deviation from the established policies, practices and procedure.

Question No. 214—**Mr. LeBlanc (Cape Breton Highlands—Canso):**

Since the implementation by the Department of Fisheries and Oceans of its Catch Monitoring System in the Scotia Fundy Region in 1989, (*a*) how much has the Government of Canada received annually in payments from fishermen under the provisions of this system (*b*) how much money in lieu of payment is still outstanding for 1991 and 1992 respectively?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): (*a*) & (*b*) Since the establishment of the Dockside Monitoring Program, the Government of Can-

ada has not received annual payments from fishermen in the Scotia–Fundy region. There are therefore no outstanding payments for Scotia–Fundy fishermen for 1991.

In the fall of 1991, the Minister of Fisheries and Oceans announced the formation of a Task Force on Dockside Monitoring. Over the past months, the task force has been studying how the program can be designed to apply on a consistent basis in eastern Canada and how it should be financed. The task force should forward its recommendations for ministerial consideration in the upcoming months.

Question No. 231—**Mr. Mifflin:**

With respect to the Department of Fisheries and Oceans projects concerning the resurfacing of the wharf at Catalina, Nfld., and of the deep water wharf in Bonavista, Nfld., (*a*) are they being proceeded with and, if not, for what reasons (*b*) have they been tendered (*c*) have they been awarded (*d*) what is the anticipated start of work on the projects?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): (*a*) Both projects have been deferred due to the government's effort to restrain spending as announced on January 27, 1992.

(*b*) Yes.

(*c*) No.

(*d*) The start date for work is uncertain at this time.

[*English*]

Madam Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed consideration of Bill C–13, an act to establish a federal environmental assessment process, as reported (with amendments) from Legislative Committee C; and Motions Nos. 11 and 18 of Mr. Caccia (p. 8263).

Madam Deputy Speaker: I see the hon. member for Skeena seeking the floor. He has spoken.

Mr. Fulton: Madam Speaker, I was just checking to to make sure that I had a chance to speak.

Madam Deputy Speaker: The hon. member has spoken on this motion.

Mr. Taylor: Madam Speaker, I rise on a point of order. The member for Port Moody—Coquitlam was on his feet when we adjourned for Question Period. I believe that he is just coming into the Chamber right now, and I am wondering if the Chair could recognize him to complete his remarks.

Madam Deputy Speaker: The hon. member for Port Moody—Coquitlam, welcome back.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I want to thank you for your generosity to me now and in Question Period this afternoon. I do appreciate that.

I will just conclude. I tried to ask a short question, I point out, in return. I just wanted to conclude my remarks.

We are speaking on this very important environmental bill. The House has heard a number of speeches this morning. It has heard from the member for Skeena, the member for The Battlefords—Meadow Lake who worked so hard on this committee, and the member for Saanich—Gulf Islands who worked so hard on environmental issues.

You will recall I presented a petition in the House a few minutes ago. I was just out getting a photocopy of that because it reflected, in a sense, what I was saying in

my first speech, that young people are really concerned about the environment. This was on a broader environmental issue. The petition, as you will recall, was from the students at Sir Frederick Banting Junior Secondary School in Coquitlam. Those students were concerned about a loophole.

It is very technical. You really have to know what you are talking about to get into this issue. The students really got into it. They found a loophole in the international whaling commission moratorium on commercial whaling. They found that you could in fact kill whales for scientific research purposes. Under the guise of science, you can butcher a number of whales and you can supposedly conduct the research. You then send the whales to the marketplace and sell them. What happens then is that countries like Iceland, Norway and Japan which were trying to observe the whaling moratorium then say: "Well, we had better get back into a full scale commercial whaling because it has been going on anyway".

I cite the petition of the students from Banting Junior Secondary School for two reasons. One of the reasons is the sophistication of the young people dealing with a major international environmental issue in a complicated way. Second, as the member for Skeena was saying, it shows once again that what you see is sometimes not exactly what exists, in this case sort of looking at a way of killing whales for scientific research when in fact they are still trying to look at money in the market. That is why we have to be so careful with this particular bill.

I was just looking at the press release that was put out on this bill by my party where the hon. member had outlined a number of points. There were a number of points that we put forward to try and amend this bill. There were 111 amendments introduced during the committee's review of the legislation. Some of them were accepted. We, in the New Democratic Party, managed to change the bill by including some of the changes.

First, forcing the government to assess alternatives to major projects affecting federal jurisdiction and requiring that the need for a project in the first place be determined before it goes ahead.

Second, drastically reducing government discretion—that is why this amendment is important here—in deciding what projects are assessed, how they are assessed and what factors have to be taken into account during the assessment and whether a project should go ahead.

Third, requiring a review of this bill after five years.

Fourth, improving public participation, strengthening support for sustainable development, increasing the protection of aboriginal rights and including physical and cultural heritage in the definition of the environment.

It is very important having these items to strengthen the bill. We must go farther in this debate in the House and seriously consider the amendment that has just been presented by the hon. member for Davenport. As I understand it, it is an amendment that will protect us from a minister who is not particularly sympathetic or weak, present company excepted, who will be lobbied by a large corporation or by some other interest and will back off and delegate his or her power to some other group. That is why this has to be very tightly controlled.

While I am on my feet, I also want to make reference to something that the hon. member for The Battlefords—Meadow Lake said. He said that the environment in his riding is truly beautiful. He mentioned Meadow Lake and a summer picnic I had the privilege of attending with him.

An hon. member: You were the guest speaker.

Mr. Waddell: My friend says I was the guest speaker. Well it became less nice after that. The hon. member said he had been to India after that and stated how difficult it was to find a pristine lake in India.

• (1520)

One great British Columbian, former Justice Tom Berger, I want to inform the House, is in India doing the first of its kind, an international impact study sponsored by the World Bank dealing with the Saravar Dam in India on the Narmada River. That is very interesting because 15 years ago or so, Justice Berger did the first environmental assessment of a great megaproject, the proposed Mackenzie Valley natural gas pipeline from Alaska and the Mackenzie delta down to southern Canada and the United States. This was the first of its kind in the world. It was the first real look at a project before the project was built. That is where we learned a lot of matters that are in this bill. We learned how to

really do an environmental assessment. We learned how to conduct public hearings. We learned how to fund interveners and what an advantage, not a disadvantage, that was to governments and the process to have all broad points of view.

Let me conclude by saying that we have done great things in the world on the environment. We are pioneering. We have a bill to which we in this party, who are committed to the environment, proposed 111 amendments. There is another amendment on the floor which we think will strengthen the bill. We ask the government and the House to support this amendment.

Remember what the students of Sir Frederick Banting Junior Secondary School said, that the environment is the key issue in the modern world.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, my remarks will be very brief. I want to compliment the Parliamentary Secretary to the Minister of the Environment and all committee members on this work.

I would like to put forward to members that there is confusion from time to time in the overlapping jurisdictions. I want to bring this down to my own community in Toronto where we have three rivers that flow through the centre of our city; the Don River, the Rouge River and the Humber River. They flow into Lake Ontario which is a lake that we share with the United States. These are the most polluted rivers in all of Canada.

For years we have had the toxic and biological waste from the largest city in Canada flowing down these rivers into Lake Ontario. They are now just chemical cauldrons.

It seems that because of the overlapping jurisdictions from the municipality to the province, to the conservation boards and ultimately, because of the Great Lakes, the federal jurisdiction, there is always the pointing of fingers at each other, that the municipality is responsible for a certain facet and then ultimately the province. We do report after report but there is never, ever a real final action plan or the resources to begin reclaiming these rivers.

I hope that as we go through the various phases of this bill that we can somehow give the national government a clear cut responsibility for acting when we have overlapping jurisdictions on a particular environmental disaster. Yet there does not seem to be the will of those like the province, those bodies responsible to take action.

I cite another example from two years ago in Barrier Lake, just three hours north of us, where it was obvious the clear-cutting that was done in that area was beyond the sustainable development definition. The Algonguins of Barrier Lake could not get the support of the province to stop the clear-cutting. It was a clear cut case where the province should have stepped in and stopped it.

Yet, we as a national government, other than moral suasion, were not really in a position to do anything about it. We have a similar situation in Alberta with the pulp and paper mills going into the Athabasca River region.

My concern is that there should be some clear definition so that the national government can step in and put a much more aggressive position forward, the ultimate position when the operating authorities fail to act.

I hope in committee that specific examples like that can be addressed. Quite frankly, if there is one frustration I face it is that every month I get approached from constituents in my riding asking: "What specific action is taking place on the clean-up of the Don River? What is the national government doing about it?" You turn around and say: "It is the province that is supposed to be doing something about it". The province says: "It is the municipality". We, as a national government, seem to have either relinquished or do not have that final thrust.

I hope that we can have a clear-cut definition of our responsibility by the time we bring this bill to its final resting place.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I would just like to reinforce to the committee what the hon. member for Broadview—Greenwood has just said. I have the same problem in my riding of Parkdale—High Park.

Every summer, when the temperatures reach 80 and 90 degrees, the beaches on Lake Ontario are closed all along Mississauga, Toronto, et cetera. Just when the

children want to jump into the lake and swim, the beaches are closed. When you try to get to the bottom of the cause of these pollutants again you get this buck passing; municipalities looking to the province for solutions, the province looking to the federal government and vice versa.

Forty years ago, when I came to Ontario, the joy that we had was to be able to swim in Lake Ontario. Now, 40 years later, we cannot swim in the same lake that we swam 40 years ago. Because Lake Ontario joins the Great Lakes, there is international involvement here so the federal government has to be involved. Pollutants do come down the Humber River to the mouth of the Humber so the province is involved.

Canada geese do a lot of polluting. Everyone is powerless to even reduce the number of Canada geese on the beaches when the rain washes their waste into Lake Ontario.

I am glad that the hon. member for Broadview—Greenwood gave that direction to the committee. I would also like to emphasize that because it is very very important. In my area, it is four levels of government. It is the federal government, the provincial government, the metropolitan Toronto government and the city of Toronto. There are four jurisdictions there and four jurisdictions cannot solve this little problem of keeping the beaches open for the children when the temperatures reach 80 and 90 degrees in July and August. Something is wrong with us, the politicians, if we cannot get four levels of government together to clean up the beaches for our children every summer.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The first question is on Motion No. 11.

• (1530)

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motion No. 18.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The next question is on Motions Nos. 19 and 29 which are grouped for debate. A vote on Motion No. 19 will apply to Motion No. 29.

Hon. Chas. L. Caccia (Davenport) moved:

Motion No. 19

That Bill C-13 be amended in Clause 37 by striking out line 37 at page 24 and substituting the following therefor:

"can be justified in the circumstances because the project contributes to the goal of achieving sustainable development,"

Motion No. 29

That Bill C-13 be amended in Clause 58 by striking out line 17 at page 42 and substituting the following therefor:

"justified in the circumstances because the project contributes to the goal of achieving sustainable development;"

He said: Madam Speaker, before Question Period I listened carefully to the parliamentary secretary and to his rebuttal on Motion No. 11 and the arguments which he made in determining that my amendment was at that point unnecessary.

I have to recognize and admit that his arguments were quite good and that he certainly made a good point which I fully accept.

However, I did have difficulty with his rebuttal on Motion No. 18 when he elaborated on the theme of self-assessment philosophy and approach that would apply in the implementation of the clause then under discussion, clause 37.

We are now approaching another aspect of clause 37. We have a real difficult issue at stake and I look forward to hearing the well thought out rebuttal by the parliamentary secretary.

I would argue that this is a bad clause. It is a bad clause because it opens a serious loophole in the system and in the whole approach and application of this proposed bill on environmental assessment.

In other words, the way one reads this clause and interprets it, one must conclude that here you would have a provision whereby projects would go ahead through the back door, although the same project is contrary to the purpose of the bill as outlined in clause 4 and in particular clause 4(a) (b) and (d).

The purpose of this bill as outlined in the clause reads that it is to ensure that the environmental effects of projects receive careful consideration before responsible authorities take actions in connection with them.

Then the other purpose outlined in the same clause is that the purpose of this bill is to encourage responsible authorities to take actions that promote sustainable development, and finally, that the purpose of this act is to ensure that there be an opportunity for public participation in the environmental assessment process.

Having said that in the opening paragraph of this bill, what we find here in clause 37 is permission that allows a project to be approved if it is likely to cause significant, adverse environmental effects so long as the project can be justified "in the circumstances".

That is a very disturbing passage in this proposed legislation because "in the circumstances" is wide open. It is an immense loophole through which you could drive a tractor trailer, to say the least.

When the Minister of the Environment appeared before the committee, we asked him to give us an example of the type of projects that would be referred to in this particular clause. He could not give us an example. We wanted to know what kind of project would qualify for this type of exemption from the principles of sustainable development.

The bill does not require the minister to make the decision. The bill does not request the minister to provide the public with the rationale for his or her decision.

Therefore, for all these reasons contained in the description of the purposes in clause 4, and for the reasons the minister and officials were not able to provide us with specific examples as to what kind of projects would be dealt with in this particular instance and for the reason that the minister making the decision would not be required to provide a rationale for public consumption, one must conclude that this loophole—I am not saying it will—but it could become a political escape hatch to enable a minister to approve a project regardless of the outcome of an environmental assessment.

This is bad public policy. This is not a good approach, having gone to the trouble of putting together a bill providing future generations of Canadians with a substantial step forward in the field of environmental impact assessment.

• (1540)

Our amendment, to conclude, is one that would require that a project, approved despite significant adverse environmental effects, can really and only be approved if it contributes to the stated goal and purposes of the bill as outlined in clause 4, namely, the implementation of sustainable development. In doing so, we will close this substantial loophole.

It is my hope that our amendment will close this serious loophole and eliminate an escape hatch that could be politically misused by future generations of ministers and really run counter to the intent, the spirit and the purpose of this particular bill, Bill C-13. I hope the government will be giving this amendment favourable consideration. I thank you for your attention.

If you would like, I will also deal with Motion No. 29, if you have already called it.

Madam Deputy Speaker: The two motions are being dealt with concurrently and they will be voted upon separately. There are two minutes left, if the hon. member wants to talk about Motion No. 29 as well.

Mr. Caccia: Madam Speaker, very briefly, this motion is an amendment that is complementary to the one I just described a moment ago. It makes the language consistent to ensure that when the minister establishes guidelines, codes and practices or criteria to define what is "justified in the circumstances", it will relate specifically,

precisely and clearly to the goal of achieving sustainable development.

Therefore, I believe this motion will come up for a vote if the preceding motion, Motion No. 19, is given favourable consideration.

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I would like to focus my remarks today on Motions Nos. 19 and 29 as put forward by the member for Davenport. As the member articulated, this focuses our attention not just on the mitigating nature of this bill but also a positive interjection; that is, that it would contribute to sustainable development.

As this House knows, *Our Common Future*, the report of the UN environment program chaired by former Prime Minister Gro Brundtland, was put forth in the spring of 1987. Sustainable development was incorporated into our lexicon from that report. Often I hear that the term "sustainable development" is made up of antagonistic words: how can you be sustainable as well as having development? That is the challenge we have to face in our world, and that is why I think these amendments that have been put forth by the member for Davenport are a challenge to us in this bill. That is what we are trying to do in Canada and in the world. We are trying to allow for development but to make certain that future generations are not going to pay the price for what we have done in this generation.

It is a very positive contribution to the modification of this bill, and I look forward to hearing from the government members, if they oppose this, as to why they oppose this. It is a very important addition, and it does close a major loophole.

It is important because it challenges us on sustainable development, that whole definition of sustainable development that reverberates throughout the environmental community and the development community. I know it takes more than just a public relations exercise to convince people of a project's worthiness now, and that is why it is important to have the public process, to have the people who are going to be affected by a project involved in the assessment process. It is not just the projects that are going to occur in Canada; it is all of those projects that have any Canadian involvement.

My colleague from Port Moody —Coquitlam earlier today talked about a major project that is planned for the Narmada River in India, and our esteemed colleague in our party, former Justice Tom Berger, has a very important role in that project in deciding whether or not it will proceed. He has been contracted by the World Bank to assess the worthiness of that project, and he has to ask the question of himself, and ask the people who are affected by it, whether or not this is sustainable development. Is this just another megaproject that is going to benefit the wealthy and harm those who are less wealthy? There are plenty of those in India, as you well know, Madam Speaker.

The same goes for the Three Gorges Project in China, where the Canadian corporation Lavalin has a major role to play. So it is Canadian corporations internationally that are acting on these projects. We have to determine, because we have the responsibility in this House of Commons, whether our corporations are behaving in a sustainable manner, and not just in Canada but outside Canada.

To conclude, the motions put forth by the member for Davenport, Motions Nos. 19 and 29, are a positive contribution. I look forward to hearing from the government members and I invite their support. This is the very crux of it: whether or not we can achieve an environmental assessment review process that will allow for sustainable development. I am sure those in the development industries are wanting that as well, because they also have children and grandchildren to whom they want to pass on a healthier planet.

Mr. Jim Fulton (Skeena): Madam Speaker, I am pleased to rise to support both of the proposed amendments by the member for Davenport. I think they are quite clear and I think they are quite clearly justifiable.

If one looks at the wording both in Motion No. 19, which says "can be justified in the circumstances because the project contributes to the goal of achieving sustainable development," one also finds in Motion No. 29 the same wording. The member for Davenport, I think, has

argued quite succinctly as to why that wording should be added.

I think we should take a look again for a moment at line 37 on page 24 because at the moment that subparagraph (ii) reads:

> (ii) the project is likely to cause significant adverse environmental effects that can be justified in the circumstances,

That basically says to the proponent, whether it is the government, a Crown agency, an arm of government, the private sector, a provincial authority, a territorial authority, a First Nations project, or whatever, simply that "the project is likely to cause significant adverse environmental effects that can be justified in the circumstances".

Well, who is going to justify them? We get back to the whole question, a debate that lingers not only in Canada but in many countries around the world in these now five years since the Bruntland commission came down with its report *Our Common Future* and came down with a definition of sustainable development. There are many—not only in the private sector, who are developers, but many members of this House with whom I have had personal and lengthy discussions—who do not understand what sustainable development means. They truly do believe it means sustained development—business as usual, the status quo, and simply allowing judgments to be made politically and expediently on the basis of the determination of profitability.

• (1550)

What my friend from Davenport is attempting to reinject here is a sense of reality, because the planet faces a kind of stress and pressure that it has never faced before, whether it is loss of species, pollution of the oceans, pollution of freshwater systems, global warming, or a hole in the ozone. It is a very trying time for a young person to be growing up and thinking that governments, particularly governments of a country such as Canada, are incapable, either by design or by political purpose, not only of understanding what sustainable development truly is in terms of survivability and habitability of the planet, but of making what really should be a showpiece of legislation.

As I see in my documents here, external affairs hopes to travel around the world promoting Canada as the archdeacon of environmental prowess around the world. Frankly, Bill C-13, with a series of modifications and a much more strenuous application of parliamentary scrutiny to the regulatory provisions, could start approaching that level of value to Canada and to the world community. But I think it is appropriate—and like other speakers, I really do look forward to hearing from the government side about why it took so long to pound the reference to sustainable development into the preamble of this, why it took so long to pound the actual Brundtland definition into the purposes clause, and in two circumstances where it is clearly appropriate, clearly helpful and clearly sound, both at law and in principle, to include the goal of achieving sustainable development so that one would proceed with a project that had serious environmental consequences on its own only if that were leading to the goal of sustainable development.

Every project, as we know, large or small, has a measurable impact on the biosystems of earth. Anything we do, including speaking in this chamber, has an impact on the biosystems, however small. What we are suggesting here, and what the member for Davenport is suggesting, is that we have to keep the ultimate goal in mind, that this is an intergenerational process that we have to start recognizing. In a period of a very small number of generations, almost entirely those who have lived during the 20th century have brought about, in many areas of the world, problems that will take centuries and, in some cases, millennia to repair.

Let us go back for a moment to these secret FEARO documents I was referring to earlier. It is instructive from time to time to have a look at the road the government was planning to follow in terms of this legislation in the months and years leading up to today. I quote from page 8, section 11:

> The Need for the Assessment of Policy Proposals: The World Commission on Environment and Development (Brundtland Commission) and the Canadian National Task Force on Environment and Economy have profoundly influenced the thinking of the informed community that is advocating the strengthening of the federal EARP. That community sees clearly, and has expressed very forcefully, that the assessment of proposed policies is an essential element in pursuing sustainable development. Environment considerations must be integrated with economic, technical, social and political factors in government decisions on new policies. Environmental assessment legislation will not be publicly acceptable without addressing this issue in a straightforward manner. If there is no legal obligation to assess policy proposals, the critics of the Process do not believe it will be done consistently or adequately. Moreover, exemption of policy proposals from the Process would be seen as a backward step, as the Order can be interpreted as applying to policy initiatives.

I think that is very germane. Let me again give an example. In the budget we have just had, Atomic Energy of Canada Limited, the greatest source of bleating and crying for government welfare, has just received $178 million new dollars. There has been no assessment of that policy despite the government's plaintive pleas and promises that there would be in the green plan. But if you add up everything of energy, mines and resources, everything from the green plan, everything from all the other government agencies for this whole coming fiscal year, there is $55 million for alternate energy and for conservation at the federal level for the whole of Canada.

What my friend from Davenport is arguing for is that in a situation where a project is going to have negative implications—and the nuclear industry is one. No one any longer argues vigorously, with scientific basis, that the mining of uranium, the processing of uranium, and the operation of nuclear plants are without environmental impact—severe, long-term, intergenerational environmental impact.

What I am saying here, and what my friend from Davenport is saying, is this. Let us say a project to store all the nuclear waste in Canada would go to Brandon—Souris, to the parliamentary secretary's constituency; it was all going to be trucked there and dumped in his backyard. We read then where it says: "the project is likely to cause significant adverse environmental effects that can be justified in the circumstances". It might create jobs in Brandon—Souris and it might lead to the re-election of the parliamentary secretary, and there might be other things. What my friend from Davenport is saying is that if it has to contribute to the goal of achieving sustainable development, it would fail. It would fail on those grounds.

What we are talking about here is trying to close up some of the more glaring loopholes that are visible now in the legislation. Later this afternoon I intend to come back many times to the holes that we know of in the regulations. There are 15 sets of them being developed that give loopholes for Atomic Energy of Canada, loopholes for the railroads, loopholes for mines, loopholes in fisheries, loopholes all the way through.

As I said earlier, the regulatory framework that comes with this legislation is like a box of Cheerios. It is a gigantic series of loopholes joined together to exempt almost all projects from mitigation and review. In the government's own documents it predicts that after all is said and done, after thousands and tens of thousands of projects are reviewed, it expects only a couple, with the new Bill C-13, to actually get to a full public review.

Many of us believe that the benefits to society generally, to the economy generally, and clearly to the ecology of Canada and the world are best served by having criteria out there that are well known and well understood—what compulsory projects, what ones it will be mandatory to review. My friend from Davenport, in his two amendments, simply proposes that we not leave it up to a political determination of justification and circumstances where there are negative environmental implications, that we proceed in those circumstances only if the longer-term benefit impact of that project is positive towards sustainable development.

I certainly think all members of the House should support and vote for such an objective.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Madam Speaker, I shall talk about the amendments but also about the bill in general because I think that for us, especially Quebecers, this debate fits in with the whole constitutional debate as well.

What worries me is that this bill asserts total federal control over jurisdictions that occasionally or usually were Quebec's, especially over energy, for example.

The latest constitutional proposals would give the provinces exclusive jurisdiction over energy. If energy is an exclusively provincial domain but the federal government controls all discussion of environmental issues and all environmental requirements, what use is that power?

This bill again shows the contradiction that has long been evident in the constitutional debate on power sharing. Similarly, we saw a while ago the Minister of Communications announce that the government intented to do something that was opposed to the spirit of the discussions now under way.

• (1600)

Whether we go for sovereignty or for renewed federalism, it is quite clear that the provinces' energy priorities will be up to the provinces under the Constitution. They should therefore have full jurisdiction over all environmental impact studies.

So the first problem with this bill is that it confirms this duplication of environmental authority, which I think would only weigh down the whole assessment process.

The very discretionary powers of the federal Minister of the Environment are unacceptable for Quebec and I presume for the other provinces that sometimes have their own provincial projects. The bill would give discretionary power over the justification for a project and over alternatives to it; that means total jurisdiction and total interference in any assessment that a Canadian province might do.

The most criticial point in the bill for me, however, is that the time frames are never specified; that is, a really precise deadline is never given for environmental studies. Imagine how we could ask investors to prepare a project and an investment plan if they had a project that respected the environmental spirit and principles, in other words, it did not harm migratory birds and was non-polluting? When they asked us when they could begin, we would say that an environmental review had to be done. That is normal, but they would ask how soon they would have an answer. No time limit is set. Is it two or three years? A minister could use this imprecision in a dangerous way to delay a project.

In this respect, I think the minister's role and the failure to set a time limit on the various stages in the assessment process are extremely negative factors, especially when we consider our experience in Quebec with the Great Whale project. In fact, we can expect to be faced with the same problems, the same lack of harmonization, the same duplication and the same lack of specific time limits.

I also think this bill is discriminatory with respect to the rights and duties of proponents. There would be two classes of proponents: federal proponents and provincial proponents, who would not have the same rights. This is discrimination, and it is utterly foreign to the spirit of the present Constitution as regards jurisdiction over energy, and similarly, and above all, it is foreign to the current debate on renewing the Constitution or, if we consider the other option which I prefer, the debate on sovereignty.

In my opinion, this bill was tabled too quickly since after the current constitutional debate, entirely different jurisdictions may be proposed by the federal government in the offer it makes in May, which means that the entire bill would have to be revised. It would no longer be in line with the current division of powers and would have to restrict the minister's discretionary powers, especially with respect to project justification, as I said earlier.

As for non-federal proponents, throughout the debate they would be discriminated against because they would not have the same privileges as federal proponents. As I said earlier, duplication of procedures for the assessment of impact studies is also a real possibility, and this would lead to further arguments, as happened in the case of the Great Whale project. We had one study for one part of the environment by the federal government, another one by the provincial government, and the result was endless arguments and legal fights that merely held up the project. And we would not have had a two-or three-year delay if we had been able to proceed immediately. Without this jurisdictional fighting, we would have known today whether Great Whale is or is not environmentally safe, and if it is, work could proceed and Quebec's economy would be better off as a result.

In referring to the minister's powers, I would like to include certain commitments the minister has not made with respect to harmonization in the case of treaties like the free trade agreement and a similar agreement we might sign with Mexico. Commitments at the environmental level should include an obligation on the government when it negotiates a treaty with another country like Mexico or the United States to ensure that all parties observe the same environmental standards.

Unfortunately, that is not the case, so that a company that wants to invest in Canada but may only do so without polluting or disturbing the environment may wish to avoid waiting for the results of environmental studies and prefer to go to a country whose requirements are less stringent.

Now, I am all in favour of having standards. I think the principle of the bill is good. I want us to have very stringent requirements, but when we decide to sign a treaty with another country, we must ensure that country's requirements are just as stringent so that companies in this country will not be tempted to do what 16 Canadian companies did and set up shop in certain areas near the Mexican border where environmental standards are not as strict. We cannot afford to let this happen again.

In concluding, I would like to mention what was said by the Canadian Electrical Association. Generally speaking, the association felt that the above concerns would not be addressed if the bill were passed in its present form. Consequently, it recommended making certain changes, and stressed more specifically the need for putting an end to the risk and uncertainty for provincial proponents, as reflected in the way the courts had interpreted current guidelines so far.

Although their impact on the environment is very benign, electricity producers are uncomfortable with this legislation, and at the same time we have this uncertainty which is felt by all Canadians because until the debate on the Constitution has properly clarified jurisdictions, it is useless to vote on bills and plans that will have to be redone a few months from now. I would like to repeat that I support the principle of the bill, but it would need a lot of changes, and I would have some suggestions to make in this respect in my next speech.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise to comment on some of the remarks made by my friend, the member from the Bloc Quebecois. At the end of his speech he said that he is looking at an overlap of jurisdiction, and he says that delays due to environmental overlapping will stop investment. He was alluding to that. I gather the overlap could be the federal jurisdiction and the provincial jurisdiction.

I wonder what the answer is to that. Is the answer to drop our environmental standards? I do not think so. I do not think the hon. member would advocate that and I do not think he did advocate that, but he came perilously close to saying that. Would the other answer be to have separate countries? Then, clearly, we would have not an overlap between Quebec and Canada. The problem with that, it seems to me, is that we will still need to have standards unless an independent Quebec, as proposed by the Bloc Quebecois, proposes to drop environmental standards in order to attract investment.

• (1610)

I would hope not. Is that what the new Quebec is to be about? I heard the member from Montreal, another Bloc Quebecois member, in Question Period urge the government to censor Mordecai Richler's upcoming book.

While I may not agree with all the things Mr. Richler is saying in his book, I felt a chill on the back of my neck with the notion of censorship. If you do not like an idea you censor it. Is that the new Quebec? I would hope not because I do not think this is a very strong position from which to argue.

We are talking about the environment. Surely the problem with the environment is bigger and I say this to the hon. member from the Bloc Quebecois; is the environment a federal matter? Is it a provincial matter? Is it a local matter? Is it an international matter? Fish swim, as one Quebecois once said. I think he was Prime Minister of this country and he was talking about who should control the jurisdiction. Fish swim from the waters near one province to another province in the maritimes. They swim to the international waters.

Winds blow. The winds blow from the United States, pollute Canada and vice versa. Therefore one could argue that the environment is an international matter.

The way to approach the environment as to what the constitutional position should be, should be who can best govern the environment. How would it work from a practical point of view. Sometimes it may be national. Sometimes it may be provincial or sometimes it may be local. Sometimes the jurisdictions may overlap. That may not be a bad thing. I will give you an example of culture, what is happening to culture now. You can make it similar to the environment.

In culture, a federal organization like the Canada Council is working very well for Quebec artists. They are getting the money. There is an arm's length relationship and so on. Quebec artists are saying: "We want to keep them". At the moment, I believe there are some problems in the Quebec cultural bureaucracy. The overlapping system that we have for an artist in Quebec, where the artist can get money and help from the federal government or the provincial government, is working. He can go to the federal government and get good

service. That was not always the case. Sometimes it was better in the province.

So it can work in the environment. Sometimes you can have a province where the government is quite frankly bad on the environment as was the previous Devine government in Saskatchewan over the Rafferty—Alameda. The federal government was being pressed to act. That is not a bad thing and can be a good thing.

The hon. member brought up another point from the Bloc Quebecois on which I want to comment. He said that perhaps we should be careful about the constitutional aspects of the environment because the debate is ongoing. There are constitutional negotiations going on and in the next few months the government may end up giving more power to the provinces, on the environment, specifically to Quebec. I think that is a good point. The House should think about that in this debate. We may be passing a bill under which, if we give a lot of power on environment to the provinces, as a result of the constitutional discussions, we could be acting rather uselessly. It is something to look for.

My impression of the Beaudoin–Dobbie committee was that Canadians, including Quebecers, by and large wanted the federal government to control the environment. They saw a real role for the federal government in the environment. They saw shared power in certain areas. I say this to the hon. member while I have the floor on this subject. When speaking of the issue of the development of James Bay, I had a prominent member of the Parti Quebecois tell me: "Don't worry. After independence we won't have any problems with the Indians in northern Quebec. We will just buy it. We will give them $1 billion and we will make a deal". I thought: "Boy, are you ever mistaken. I think you are living in another world".

The point I make is that even after independence and I would say this if, God help us, if Quebec did become independent, exercise its rights of self–determination, as I believe it had, if it did that Quebec would still have the same problems. It would have the problem of a minority language and the minority language would be English, just like we have the "problem" in Canada of the minority language French. It would have the problem of native people in northern Quebec who would, I am afraid, if Quebec were to go ahead against the wishes of the native people on the development of a new James Bay project, declare their independence and call upon Canada to send the Canadian army to help them.

Those are my worst fears. We have to be very careful of that situation. The member laughs but one could see the development of that situation down the road as the worst case scenario.

I say to the hon. member that I think the Quebec record on the environment is as good as any other province in this country and the Quebec record on native people, contrary to what other people say, is as good as or even better in some aspects as other provinces in this country.

The hon. member is correct in identifying the environment as important in the constitutional aspect. It is painfully obvious to all of us that the environment, if anything, is an international matter. While we Canadians play the potentially deadly game of whether we should have an independent Quebec or not, the environment problem is not going to go away and independence or sovereignty for Quebec is not going to solve for the environmental problems.

My suggestion is that really smart people would look upon the environment as an interrelated problem of international, national, provincial, and local governments and that we should focus on which jurisdiction in any one area could do the job the best, who could govern it the best so that we could have true sustainable development.

That is the secret. Sometimes it will be overlapping jurisdiction. When we deal with an environmental bill we should look upon it as very important that it is a federal system where we will have federal and provincial jurisdiction.

I will leave you with this thought. Perhaps the hon. member from the Bloc Quebecois and his colleagues could ponder this. We have not done very badly in the environment in Canada, have we? Have we not a beautiful environment in this country? We have it through the co–operation of Quebecers and people from other provinces such as my province of British Columbia. Perhaps we should work to keep that.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I want to add a few words at this time on the motion put forward by the hon. member for Davenport. In doing so I wish to add some comments to the debate that has sprung up here with the last two speakers concerning jurisdiction.

I do commend to all members of the House the report which was distributed last week by the Standing Committee on the Environment in which the jurisdictional issues have been dealt with. The member for Skeena is a member of that committee and participated very diligently and with dedication to the issue of the Constitution and jurisdiction for the environment.

As the member for Port Moody—Coquitlam indicated, the environment is an international matter. It is not one that breaks down into small parts easily. One of the topics at the Brazil conference, the UNCED conference, in June of this year is treating it as an international matter that requires the attention of all governments in all parts of the country. There is no doubt that we in Canada have a long way to go to deal with the pollution that exists and the potential for environmental damage that exists in other parts of the world.

• (1620)

That brings me to the subject of sustainable development. Like the member from Skeena earlier, it is really crucial that all members of the House know the definition and interpretation of sustainable development that we are using in the context of this bill and other matters. We have to be very careful that development is not recognized as an ongoing, forever type of a concept when we understand and know that the environment is made up of many finite pieces. Nothing could be more finite than the cod stocks off the Atlantic coast at the moment. We know there cannot be continued development when the resource has been or is in the process of being depleted.

The Minister of Forestry is in the House listening intently to this debate. The Minister of Forestry knows that the forest is a finite concept in Canada. There is only so much timber that can be grown at any one time in the world and at the moment more timber is being cut than is being replanted. Therefore, we do not have an infinite resource that we can continue to develop for our purposes.

It is the same with the atmosphere. The ozone problem is a very good one to examine because of the new hole that has opened over North America and Greenland. As the ozone hole opens, we realize that it is a finite resource that has been protecting us and if we are not careful, i.e., allow the development of CFC based refrigeration capacity in China, India and other parts of the world to meet the needs of growing and developing populations, that development will not be sustainable. As those refrigerators deteriorate the CFCs evacuate and the ozone holes become bigger.

As I said in another comment made at another time in this House, it is alarming to hear the Minister of the Environment talking about telling children they cannot go out into the sun at certain times of the day because the hole in the ozone has made working, living and playing in the sun a dangerous activity.

It is alarming in another sense as well. Children are not the only living things that are out in the sun. Plants and animals are part of our natural environment, our biosphere. Plants and animals cannot be told to put on hats and stay out of the sun between the hours of 11 in the morning and 2.30 in the afternoon. Plants and animals cannot read the ozone warnings that will be published in the newspaper, yet they will be affected by the ultraviolet light coming down through the hole in the ozone layer.

These are finite matters and sustainable development means that when we do anything that affects that environment, we are ensuring that we know we can continue to do that forever and ever and ever. It is our intention, since we know that we borrow this world from our children, to leave this world for them in better condition that we inherited from our ancestors.

When we think about that concept through the generations our environment can only improve with each new generation, as each new generation tries to ensure that they leave this planet a better place environmentally for those who will come after them.

Therefore, sustainable development is a very particular term to the environment. When business misconstrues it to mean that: "By golly, we can do just about anything we want as long as it does not adversely affect the environment", well adversely affecting the environment is something that this bill tries to deal with.

The Minister of the Environment is very proud of the mitigation measures contained in this Bill C-13. The Minister of the Environment has talked about introducing a tighter definition of mitigation that requires a substantial reduction or effective control of environmental effects of a project.

The Minister of the Environment proudly says that these changes ensure minor reductions in the environmental effects of projects so that they cannot be trivialized in the process.

The member for Davenport has raised a matter here that indicates that we cannot trivialize this section of the bill if in fact we adopt his amendment. The Minister of the Environment does not want these matters trivialized. We have a way to ensure that that trivialization does not occur and we should support it.

At the same time we are recognizing that these pieces of the puzzle fall under the part of the bill dealing with decisions of responsible authorities and the way in which the decision of the responsible authority is applied.

I want to add one thing before I close in relation to this and that is relating to the Supreme Court decision on the Oldman dam and policy matters which the government is undertaking. The member for Skeena has talked about policy on a number of occasions here today. He talked about policy of the nuclear industry in Canada.

Right now the government is proceeding with a policy decision on agriculture relating to the movement of grain, the changing of the way in which the railroads could possibly be paid on the moving of grain, the Crow rate.

Mr. Speaker, you have been in the House during debates on the Crow rate. Now the Crow rate has changed to the Crow benefit and the Crow benefit is in danger because the government wants to change that policy.

That is a significant adverse effect on our environment if we take the grain off the trains and put it on to trucks and move those trucks down highway miles all over the western prairies.

That is a policy decision that under this legislation cannot be dealt with in the appropriate manner that projects can be dealt with. We have to find a way to ensure that that is dealt with.

I add that by changing the way in which we move grain, we are not doing sustainable development in this country. We are doing something that is very negative.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for Saskatoon—Humboldt, I wish that members would start to stay with the amendment, with the clause, with the motion. We are starting to develop a little more than just what we have here as far as the amendments are concerned. I would appreciate hon. members please to conform to the rules of the House.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, sometimes legislation is written so that it allows a considerable amount of latitude in the interpretation of a particular bill.

The Acting Speaker (Mr. Paproski): Yes, I appreciate that but ever since this morning I have considered a lot of latitude here. I wish that we could get right down to the nitty-gritty and close this thing off.

The hon. member for The Battlefords—Meadow Lake, on a point of order.

Mr. Taylor: Just to comment, Mr. Speaker. I think you have been doing a great job today in allowing the flexibility to examine this bill in its fullest. I congratulate you on the fine work you are doing from the chair today.

Mr. Hovdebo: The type of flexibility that we are talking about in this bill is sometimes not the kind of flexibility we want. For instance, in this particular case, the flexibility here would allow projects to go forward if this amendment is left the way it is.

The clause presently says: "the project is likely to cause significant adverse environmental effects that can be justified in the circumstances". That leaves any interpretation that anybody wants to put on the basis for the decision being made.

• (1630)

I am not sure that we want that kind of flexibility left in this bill or in the regulations of this bill. Can we afford to approach this environment with that kind of flexibility? We leave many things to the discretion of the minister in this bill.

Again, can we afford to leave that kind of flexibility in, or do we need to plug the loopholes that are in the bill? That is what these two particular amendments are attempting to do. They are attempting to plug the loopholes.

It is the responsibility of this House. If it works well, it will point out those loopholes. It will analyse them and it will try to make the bill work better in the future. Only by analysis of the legislation and by attempting to plug those loopholes will the legislation work well when we try to use it in the future.

We have spent a considerable amount of time in the last little while talking about the definition which is of the term which the member for Davenport has used. Can it be justified in the circumstances because the project contributes to the goal of achieving sustainable development?

The Brundtland commission established what it considered was worth while and was a good definition of "sustainable development". That terminology is being used all over the world and the definition of it is acceptable to most parts of the world. Madam Brundtland is presently in Brazil working toward the UNCED conference which comes later this year.

The process that we have to look at in this bill is to make sure that the loopholes which we recognized are plugged. I am sure that there are some that we have not recognized and will not recognize. That is all that the member for Davenport is trying to do with these amendments.

Consequently, I would suggest that we make Parliament work well in this particular case as far as environment is concerned and make sure that that loophole is plugged.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, thank you for reminding us of the importance of speaking specifically to the amendments in question as, indeed, the hon. member for Davenport has once again done during his opening remarks.

This debate, particularly this last half hour or so, has been very far-ranging as you know. I would simply like to note in response to the hon. member for Richelieu and to reassure him that, indeed, the legislation including the amendments before us are clearly within the jurisdiction of the federal government. In fact, that point has already been established by the Supreme Court judgment on the Oldman dam.

There is no question about the legal jurisdiction of the federal government as proposed in this legislation. I would also note that there is a recognition of the importance of working in co-operation with the provinces in the legislation. I would make specific reference to the example of joint panels and to co-operation with the provinces in the area of the assessment process.

In addition, deadlines will be incorporated in the regulations and administrative arrangements with the provinces. Some of the hon. member's fears, I hope, will be put to rest by perhaps a more careful reading of the legislation and the proposed amendments.

Motions Nos. 19 and 29 which have been before us now for some time deal with an area to which the hon. member for Davenport has given careful consideration as indeed we did during the course of our committee hearings.

In fact, I would suggest that the results can be found in other amendments which have been incorporated into Bill C-13. They have already been ratified during the course of our deliberations and were in response to this type of concern that was raised during the course of our hearings by witnesses and by individual members.

One of the things that is important to stress is the fact that there is a clear responsibility given to the minister in this legislation to ensure that his decisions, and that of any responsible authority, indeed the very objective of the bill as a whole is designed to encourage sustainable development.

Perhaps for the interest of those who are watching I will read clause 4(b) under "Purposes".

> The purposes of this Act are: 4.(b) to encourage responsible authorities to take actions that will promote sustainable development and thereby achieve or maintain a healthy environment in a healthy economy.

That indeed, is part of the purpose of the bill. It follows, although I do not have the benefit of legal training, that that which follows in the bill as a direct result is governed by the purposes of the bill. So this in a very real sense then is part of the foundation on which the bill is addressed.

In addition, there has been reference in the House to the question as to what we mean by the term "sustainable development". I would draw attention to page 6 of the bill where sustainable development is defined. It means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Now most members present will recognize that wording, of course, because it is borrowed in a sense from a greater authority than the members of the committee.

But we have, indeed, turned back to the Brundtland commission and there is a direct linkage between the purposes of the bill, the definition of sustainable development as contained in the bill, and the issue which is at hand.

One thing that is very clear as a result of some of the discussions which took place in committee is that the bill is more tightly drafted than it was initially.

As a consequence, the determination that significant adverse environmental effects are justifiable can now only be made after a panel review or mediation, and not after a screening or a comprehensive study. That is a tighter drafting than existed initially.

Furthermore, the minister has been given the power to set out criteria on what this terminology "justified in the circumstances" means. He has been provided with that within the context of Bill C-13.

Indeed, he is committed to ensuring that decisions under this clause are made within the principles of sustainable development. And in that I am simply repeating my earlier remarks.

How the term "sustainable development" is interpreted by the department will be set out in a guideline on "justifiable" to be prepared under clause 58. That too is a result of discussions which took place in committee.

In our minds, to go further than that at this particular time, to establish the direct legal connection as the hon. member would wish us to do, in our opinion would be to give the courts more of a role in the definition of the term "sustainable development" than we would think is advisable.

The reason I say that is because we are very conscious of the fact, as others have said earlier in the day, that in a very real sense the concept of environmental protection is still in a state of evolvement, as indeed is the technology by which we would seek to protect that environment.

So, while we have used in this bill the clearest and most commonly accepted definition of "sustainable development" available to us at this time, it is equally clear that at some point in the future—and in the area of environmental protection it is difficult to know whether the future be two years down the road or four years or ten years, as the case may be—it may well be that the definition that is in place and is accepted at that point in time perhaps would be different or could at least be a variation from that which exists today.

And so, I would prefer the legislators of the land—in this case the Parliament of Canada—be given the task of defining sustainable development, accepting as we do the fact that this is an evolving definition.

We have heard various suggestions today as to who is going to be the Government of Canada in two years or four years or six years. Some of the parties have indicated their aspirations to have that responsibility; others who are in the House have not yet indicated they see that as being part of their expectations. But it is clear that politicians, elected representatives, are in the best position to accept this responsibility today, rather than to pass the buck, the responsibility, on to the courts.

In doing so, we are accepting a system whereby we are giving that responsibility to those who are accountable.

• (1640)

Certainly one of the things I find frustrating, and certainly my constituents find frustrating, is the fact that very often important decisions are made by jurisdictions over which they have no control. Politicians are accountable and we are held accountable for this legislation. We are held accountable as a government for what we proposed and we will be held accountable if it is passed, as indeed I hope and expect it will be.

I am comfortable with that concept of accountability. I am also very, very conscious of the fact that, as I said earlier, in a sense the terms we have before us are not scientific; they are changing. It may very well be that when we revisit this bill, as indeed we understand will undoubtedly happen at some point in the future, we can

re-examine our definition of sustainable development at that point in time.

In the meantime, the combination of the stated purposes on which the minister has accepted a commitment to act, the definition of sustainable development as provided in the legislation, and the inclusion under clause 58 of an indication by which the department will define justifiable circumstances has provided a good foundation on which to act. We feel that although we do not address the precise wording of the hon. member, we have gone a significant step in that direction. I think that under the circumstances we have reached what we consider to be a logical and appropriate point.

The Acting Speaker (Mr. Paproski): Before I recognize the next speaker for South West Nova, 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 Prince Albert—Churchill River—Health; the hon. member for Don Valley East—The Economy; the hon. member for Calgary Northeast—Ukraine; the hon. member for St. Boniface—Post-Secondary Education; the hon. member for Dartmouth—Interest Rates.

The hon. member for South West Nova.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, having taken part in the earlier debate on this bill and having sat in committee while we went through clause by clause, and at other times replacing some of my colleagues in the clause by clause, I have to say that I do have concerns specifically related to this subclause. I do like the use of sustainable development as my colleague has proposed in the amendment.

I would like to give you an example of what I find weak in using "can be justified in the circumstances". If you look at "environmental effects" in the definition clause, it reads:

> "environmental effect" means, in respect of a project,
>
> (a) any change that the project may cause in the environment, including any effect of any such change on health and socio-economic conditions, on physical and cultural heritage, on the current use of lands and resources for traditional purposes by aboriginal persons, or on any structure, site or thing that is of historical, archaeological or paleontological or architectural significance, and
>
> (b) any change to the project that may be caused by the environment, whether any such change occurs within or outside of Canada;

There are words in which I have had a little experience, having been chairman of the environment committee when FEARO was discussed—and that is the former regulation, which this bill has improved on perhaps in terms of process—that come out in this clause:

> (a) where, taking into account the implementation of any mitigation measures that the responsible authority considers appropriate,
>
> (ii) the project is likely to cause significant adverse environmental effects

I just read to you the definition of environment effects. It can be "of any such change on health and socio-economic conditions". With those words alone—"the project is likely to cause significant adverse environmental effects that can be justified in the circumstances"—the minister can go ahead and allow approval. I say that because if you allow the sustainable development clause in there along with the purposes and the definition of environmental effects, I think you are providing Canadians a much safer way of finding out whether or not a federally funded project is going to affect the people in that area.

I will go back to two projects that I have seen in my own area. One was an ACOA grant of about a million dollars, and if FEARO had not been there, there would have been no study to justify that it was not going to cause—even if I disagreed with the result of the study and I could see that it did affect the people who lived around the site, the federal government had a responsibility to do some type of study. When that discretion is allowed, "justified in the circumstances", with no definition has to what circumstances, a very broad relationship is made so any government or any responsible authority can trod over the rights of people, I think, without having to do any study as to the cause and effect of a government project.

In this day and age, I think the local people have to be aware that governments do fund projects and do affect their environment without taking any consideration of it. By leaving it so broad that it can be "justified in the circumstances", it may be justifiable in Ottawa to give a grant or to fund something down on Digby Neck, and therefore in the circumstances it may be only a couple of million dollar project in Ottawa, but it may have very harmful socio-economic and health effects in a given area. Unless the people are aware that such funding is going to be given and if there is nothing in the process to make it mandatory—and this bill says that it is within the

responsible authority to justify—I think we have to have stronger teeth. Sustainable development does bring in a stronger element. Looking at the definition and purposes clauses, at the definition of sustainable development, we should be making it stronger to protect the individuals rather than making it broader to protect the responsible authorities in that large area of what is a justifiable circumstance.

I listened to the parliamentary secretary as to the accountability of elected people. Accountability after the fact means nothing once the funding and the project are under way. Any area that allows an escape without some justification—I think these are very weak terms, "justified in the circumstances"—I cannot support.

I have to support my colleague, the member for Davenport, on his motion to change that. Instead of "can be justified in the circumstances", it would read: "can be justified in the circumstances because the project contributes to the goal of achieving sustainable development". Why not have a positive goal for the responsible authority rather than again putting on the unsuspecting public who will find in their backyard a project they did not know enough about?

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Motions Nos. 19 and 29 in the name of the hon. member for Davenport were grouped for debate. A vote on Motion No. 19 will apply to Motion No. 29.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

• (1650)

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred. That means Motion No. 29 stands deferred also.

Motions Nos. 21, 22 and 30 standing in the name of the Minister of the Environment will be grouped for debate. A vote on Motion No. 30 will apply to Motions Nos. 21 and 22.

Hon. Frank Oberle (for Minister of the Environment) moved:

Motion No. 21.

That Bill C-13 be amended in Clause 46

(*a*) by striking out line 46 at page 29 and substituting the following therefor:
"end of the assessment;";

(*b*) by striking out line 2 at page 30 and substituting the following therefor:
"is to be published; and

(*e*) meets any criteria established pursuant to paragraph 58(1)(*h*)."

Motion No. 22.

That Bill C-13 be amended in Clause 47

(*a*) by striking out lines 2 to 12 at page 31 and substituting the following therefor:

"lands.";

(*b*) by striking out line 21 at page 31 and substituting the following therefor:

"Canada and outside federal lands that

(*a*) includes a consideration of the factors required to be considered under subsections 16(1) and (2);

(*b*) includes an opportunity for the public to participate in the assessment;

(*c*) includes a requirement that the report is to be submitted to the Minister at the end of the assessment;

(*d*) includes a requriement that the report is to be published; and

(*e*) meets any criteria established pursuant to paragraph 58(1)(*h*)."

Motion No. 30.

That Bill C-13 be amended in Clause 58

(*a*) by striking out lines 27 and 28 at page 42 and substituting the following therefor:

"poses of coordination, consultation, exchange of information and the determination of factors to be considered in relation to the";

(*b*) by striking out line 41 at page 42 and substituting the following therefor:

"substitution pursuant to section 43;
(*h*) establish criteria for the purposes of an alternative manner of conducting an assessment of the environmental effects of a project referred to in subsection 46(2) or 47(2); and".

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, may I rise on a point of order or a question.

The note I have in front of me states that Motion No. 21 would apply to Motions Nos. 22 and 30. I am not sure whether that is what I heard you read or not.

The Acting Speaker (Mr. Paproski): It is that a vote on Motion No. 30 will apply to Motions Nos. 21 and 22, which is the Speaker's ruling. The hon. parliamentary secretary.

Mr. Clark (Brandon—Souris): In any contest of will, Mr. Speaker, you clearly would win over anyone else in the House. I understand that and recognize that.

I would like to make a number of brief comments with respect to Motions Nos. 21, 22 and 30, which are amendments to clauses 46, 47 and 58 and are designed to establish criteria to the ministerial power for transboundary clauses.

Clauses 46(2) and 47(2) outline the circumstances under which, in the case of a project that may cause significant transboundary environmental effects, the Minister of the Environment may exercise the discretion not to establish a review panel where it can be left to other jurisdictions if all parties are in agreement as to the alternative means. I want to stress the qualification there.

During our clause by clause, which was very extensive—and as members will recall, the minister himself was present for a significant portion of that, which indeed was a generous commitment on his part that we appreciated—the committee amended the above provisions to require the criterion already required for the substitution of other federal processes to be met before the minister could exercise his discretion not to establish a review panel.

That criterion I would like to bring to the attention of the House. It is found on page 31 in the bill, and it is identified in four different instances. Clause 47(1)(a):

(a) includes a consideration of the factors required to be considered under subsections 16(1) and (2);

(b) includes an opportunity for the public to participate in the assessment;

(c) includes a requirement that the report is to be submitted to the Minister at the end of the assessment; and

(d) includes a requirement that the report is to be published.

What we are doing is adding to the requirement for public participation in the process.

In addition, in subclause 58(1) under "*Minister's Powers*" we provide for the development of additional criteria which may be required to guide the minister's decision. We did that simply in recognition, as I said earlier, of the fact that this is an evolving science and if other criteria are to be identified they can indeed be added there with little difficulty. This same type of provision was added to the federal substitution clauses in clause-by-clause consideration.

The government has agreed to consider such an amendment for the transboundary provisions and has therefore proposed this change. As a consequence of the proposed change cross-references would have to be made in 45(2) and 47(2).

As a further technical matter, the amendments to subclauses 47(1) and (2) are required because the criteria were erroneously placed at an earlier time under subclause 47(1). This motion will result in paragraphs (a) through (d) being placed under subclause 47(2) where they properly belong.

Earlier in the day I referred to amendments which I perceived to be technical amendments, in some cases simply being a clarification of the French language translation. This led to extremely extensive debate on a variety of issues, the extent of which was somewhat of a surprise to me. I would simply suggest to the House that this is a tightly framed series of amendments being proposed by the government. I would hope that it would meet with both approval and speedy concurrence.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I will take that as an admonition from the parliamentary secretary and presume to ignore it. I will extend an admonition toward him. This is the most important environmental legislation this House has seen in many a long year. Although he may think that we do not need to debate it any further, I do and I think most Canadians do.

We want these clauses debated. We want a public process. That is why we have the parliamentary channel, so that the aspects of this legislation can be fully detailed for the Canadian public. I know there are people from the Canadian Environmental Law Association who are watching us and wondering what is going on. I know the parliamentary secretary is wanting to push this through. We want stronger environmental legislation too, but we are not prepared to give the parliamentary secretary a blank cheque.

These particular motions have important implications for Canada's relations in the world. The international aspects of environmental assessment are crucial. We are coming up to the world summit in Brazil. Canada in my view deserves some the strong international reputation it has on caring for the rest of the planet. However we have to ensure that the relations Canada has with the rest of the world are not diminished by this legislation.

My colleague for Skeena has given me a copy of his bank of secret documents and I would like to read from that. An issue in December 1989 puts this whole debate in context, because it is the kind of mindset that those of us who are concerned about strong environmental legislation have to struggle against. We are talking about corporations supporting exports, and I cite: "Provision of federal commercial credit to support international trade on the part of Canadian companies through the Export Development Corporation and the Canadian Commercial Corporation is a special case requiring unusual departure from normal assessment procedures. The corporations rarely see an application for a loan early in the planning of a project and in any case have little or no opportunity to influence the project design". We know what is coming. What they are saying is: "Therefore we should have it exempt". They go on to say: "Granting of commercial credit is highly competitive internationally". We can just see the whole mindset behind it: "It is so competitive, therefore, give us a break; don't make us have the same environmental standards".

• (1700)

The corporations note that should they require the usual environmental assessment to be conducted by the proponent Canadian enterprise or by the client countries before agreeing to grant the loan, Canadian companies would be placed at a distinct competitive disadvantage.

We are not talking about competitiveness here. We are talking about the world's environment. They are whining and bleeding about competitiveness. This is why it is important that this legislation is debated fully and that this kind of loophole is filled.

Of course I am not in favour of Canadian loss of exports. I am a strong Canadian. I want Canada to be strong economically, but I do not want that to occur at the expense of the world environment. That kind of rationale is just not acceptable.

I note further on in this document—and this is why I want to say that there is balance within the bureaucracy and this is where we should be giving them some credit—that it says: "The government in pursuing environmentally sustainable development domestically and internationally seeks to build a framework of appropriate understanding, arrangements and obligations with others".

The application of Canadian environmental assessment procedures and activities outside Canada should avoid creating unfortunate precedents of extra-territoriality, be sensitive to local conditions and policies and to agreed international institutions and procedures.

It should not detract from Canada's environmental stature internationally in co-operation with the other countries. That is what these motions are trying to achieve. I think that oftentimes the search for perfection is the enemy of the good, and I learned that phrase from the Constitution committee. We cannot achieve perfection, even on environmental legislation, but we have to make sure that all loopholes acquired by this bill are filled to the best of our ability. We are not seeking perfection. We are not being obstructionists. We are trying to make this bill the best possible so that we can support it.

Mr. Caccia: Mr. Speaker, my point of order is intended to be helpful. On page X of the Order Paper, the description of the amendment presently under debate does not seem to respond with the text of the bill being amended.

Therefore there is a necessity to ensure that by passing Motion No. 21 on page X we do pass a motion that fits into the text of the bill. Since this is not possible at the present time, it may be desirable on your part, Mr. Speaker, to suspend for a moment the discussion on Motion No. 21 and proceed perhaps with Motion No. 22 until this matter is clarified.

Mr. Clark (Brandon—Souris): Mr. Speaker, I was just going to remind the House Motions Nos. 21, 22 and 30 have been grouped. I note the hon. member for Davenport has not yet taken an opportunity to speak on the combination of Motions Nos. 21, 22 and 30. If he were to choose to do that now, while he is addressing Motions Nos. 22 and 30 I would seek to get clarification on the point he has raised and, with the co-operation of the House, permit him to continue his remarks after I have achieved that explanation if that would be in concurrence.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): It is agreed that I will recognize the hon. member for Davenport on debate on Motions Nos. 22 and 30?

Mr. Caccia: Mr. Speaker, I do not want to overburden the parliamentary secretary, but I would prefer it if he were to introduce Motions Nos. 22 and 30 and give us a brief outline of the reasons of the government. Then perhaps we may not even have to comment or people may want to comment, but a presentation on his part would facilitate the task.

The Acting Speaker (Mr. Paproski): I could ask him to do that. I notice that the hon. member for Skeena was rising to speak.

I will recognize the hon. parliamentary secretary on debate.

Mr. Clark (Brandon—Souris): I rise on a matter of clarification. If you will recall, Mr. Speaker, you have grouped the three motions together. Indeed the three motions are very much interrelated and I have present an introduction of the three of them together.

That is why I was suggesting the hon. member might want to speak on Motions Nos. 22 and 30. We are indeed debating all three motions simultaneously.

I know my hon. friend for Skeena is quite prepared to speak to the motions themselves. Perhaps, when he has done that, I would have the clarification which the hon. member for Davenport is seeking and he then may wish to speak or not.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Agreed and so ordered.

Mr. Jim Fulton (Skeena): Mr. Speaker, I will attempt to keep my remarks to transboundary matters in relation to Motions Nos. 22 and 30.

The issue of environmental assessment in terms of transboundary issues and how we handle them is obviously extremely important. We have a few historic instruments to guide us. We have the International Joint Commission which has dealt principally with transboundary water and some air issues with the United States.

We face a growing body of issues. For example, when one looks at the Canadian Arctic in terms of airborne toxics, in terms of the ozone difficulties, global warming, pollution of the oceans, and the transmission of all kinds of toxics into that environment, it becomes quite clear that we require a very clear series of sections to deal with transboundary environmental effects. We also require some fairly strong and precise legislation to allow us to deal with projects taking place in other countries that might involve Canadian technology or funds or expertise, or projects that might consequentially have an impact back on to Canada.

The legislation, as we are just learning now, has some technical flaws in it which may or may not be capable of being remedied this afternoon. However, as I was noting in some correspondence I just had from the Canadian Environmental Law Association, there continue to be some chronic problems that really do need to be addressed. I would hope that the parliamentary secretary or the minister can find an opportunity to deal with these questions. Even in relation to Motions Nos. 21, 22 and 30 with which we are dealing, we come back once again whether we are talking about the mediation process or the review panel process to the whole question of enforceability.

Albeit as we have been dealing with the 1984 cabinet guidelines order in relation as I have said before to the Kemano project, the Oldman dam in Alberta, the Rafferty–Alameda, Point Aconi in Nova Scotia, or the Great Whale project in Quebec, the development of administrative law has required enormous amounts of fund raising by public interest groups that have been forced to take the proponents—sometimes the government itself—before the courts to try to get rulings as to the interpretation of the 1984 cabinet guidelines order which were not written in a legislative sense. They were written as an Order in Council which is clear to anyone who has taken the time to read them. One of the things that we are faced with in Bill C–13 is that it is a giant step forward. There is no doubt that in terms of clarity it is much more clear. But, regrettably, with the clarity has come shrinkage in terms of its applicability and its enforceability. It likely will take another Parliament to address these issues because it seems that this government has gone about as far as it is prepared to go within the body of Bill C–13. It has balked at over a hundred amendments proposed by my colleague from The Battlefords—Meadow Lake in an attempt to make it more directly enforceable and more directly applicable.

• (1710)

Here we are talking about the mediation section, but in any section you are talking about, it is quite clear that the definition of environment should have been at least as broadly expanded as that found by all of the Supreme Court justices in the Oldman decision of just over a month ago, which goes well beyond the definition that we find here in Bill C–13, and should make reference to social, economic, cultural or built environments.

One of the things that we do know, as I said earlier today, is that there are many existing structures, buildings, dump sites, impediments, river systems, and so on, that are on a daily basis causing more negative consequential environmental impact than many "new proposals" or "new projects" or "new constructions". Clearly, a piece of legislation such as this should have what might be described as some hindsight, a capacity to look at existing or historic human developments that might be having a negative impact on the environment.

Similarly, the definition of "environmental effect" should be amended to expressly include any direct, indirect or cumulative environmental impacts. Regrettably that does not seem to have sunk in yet on the government side.

The definition of "project" focuses almost entirely on physical works rather than government plans, programs or policies driving individual projects. This has been an ongoing debate. Although clause 46 on transboundary and related environmental effects might not be driven that often by projects that have a transboundary nature to them, I think increasingly as we get to understand things like acid rain that is transboundary, marine pollution that is transboundary, problems in the Great Lakes which are transboundary, the movement of diseases among plants and animals which is transboundary, airborne toxics, we come to realize that we need to look at the whole range of impacts, whether they are public or private sector.

Certainly in this House we can be particularly interested in and capable of catching up the environmental significance and environmental impacts of things far beyond simple structures, which is what this legislation and its consequential regulations seem to be driving at.

On meaningful public participation, one of the sections that the Minister of the Environment is attempting to amend at the moment is in relation to something that should have been meticulously included, which is the funding for interveners. There is a separate fund under the green plan but, as most people know, it is very much inadequate and relatively inaccessible. Even the Ontario legislation on participant funding is more clearly dealt with than this legislation. It might well be something that the minister would wish to have been here to speak about, why there was the split in the bill rather than having it carefully included now rather than waiting until some future date beyond the next election.

On the environmental assessment part, the legislation as it is presently being dealt with includes "the consideration of, the purpose of and the need for an undertaking; the alternatives to the undertaking; the alternative means of carrying out the undertaking; the environmental effects, advantages and disadvantages of the undertaking and alternatives; the mitigation measures necessary to address adverse environmental effects; the monitoring and other follow-up programs necessary to address environmental effects; and the public comments concerning each of the above noted factors". The assurance of those things that I have just delineated are not precisely enough dealt with in the bill. We know now that there will be some evaluation of alternatives to but not in

as precise a manner as we would like at the initial screening process.

I look forward to dealing with more on these sections in a few moments.

The Acting Speaker (Mr. Paproski): I believe that we have cleared up the difficulty in the point of order by the hon. member for Davenport. It was with regard to a reprinted copy that he did not have at his disposal. I think that has been cleared up.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, the legislation always assumes that the minister is omnipotent, that when the minister is faced with a problem, the minister will know exactly what the solution to that problem is. Consequently, in this particular section under the administration of the powers of the minister, the tendency has been to assume that the minister does not need the kind of instruction which will give the kind of guidance which will allow him to answer the question in the best possible way for the control of the environment. In Motion No. 29 which we just passed, we attempted to add to that the definition that is given to the minister, the guidance that is given to the minister so the minister can then best possibly use the legislation to protect the environment.

These three amendments that we are discussing now are intended to do more of the same. I commend the minister and the parliamentary secretary in their approach in attempting to do this. The very method used in these particular amendments has had the effect of broadening the responsibility of the minister without defining more particularly the goals that must be reached.

I suppose we could say that the effect has been to leave the minister with more discretion than he had before. Consequently, maybe we should judge these particular amendments by what they have left out rather than what they put into this particular clause.

Although I see no reason why we would not support the particular changes that are being suggested, they do not add to the ability of the minister to make sure that the environment is protected. In other words, they do not give him any more guidance as to how he or she should act in a particular case with a problem.

On that basis, as has been indicated before, this bill could stand a considerable amount of tinkering which might be necessary even before it becomes an effective bill in this House and in the country.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

• (1720)

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. Paproski): Motion agreed to.

Motion No. 30 agreed to.

The Acting Speaker (Mr. Paproski): That applies to Motions Nos. 21 and 22.

Motion No. 31, standing in the name of the hon. member for The Battlefords—Meadow Lake will be debated and voted on separately.

Mr. Len Taylor (The Battlefords—Meadow Lake) moved:

Motion No. 31

That Bill C-13 be amended by adding immediately after line 26 at page 46 the following new clause:

"59.1 (1) Every regulation that is proposed to be made under section 59 shall be laid before each House of Parliament at least twenty sitting days before the proposed effective date thereof.

(2) Where, within fifteen sitting days after a proposed regulation is laid before either House of Parliament under subsection (1), a motion for the consideration of that House to the effect that the proposed regulation not be approved, signed by no fewer than fifteen Senators or twenty Members of the House of Commons, as the case may be, is filed with the Speaker of the Senate or the House of Commons, as the case may be, the Speaker shall, within five sitting days after the filing of the motion, without debate or amendment put every question necessary for the disposition of the motion.

(3) Where a motion referred to in subsection (2) is adopted by both Houses of Parliament, the proposed regulation to which the motion relates may not be made.

(4) Where parliament dissolves or prorogues earlier than fifteen sitting days after a proposed regulation is laid before both Houses of Parliament under subsection (1) and a motion has not been disposed of under subsection (2) in relation to the proposed regulation in both Houses of Parliament, the proposed regulation may not be made.

(5) For purposes of this section, "sitting day" means, in respect of either House of Parliament, a day on which that House sits".

He said: Mr. Speaker, I believe that support for this amendment standing in my name today is crucial to the functioning of Bill C–13. Although the provisions of the bill outline the framework for environmental assessment, the bill will only have meaning in content in the context of the proposed regulations.

Far more than most legislation, the teeth to federal environmental assessment lies in regulations yet to be approved or drafted. We have been told there are 12 to 15 sets of regulations, eventually to give substance and procedure to federal environmental assessment.

Exclusion lists outlining what projects and what types of projects will not be required to be subjected to review will be in the regulations. Procedures governing how public participation will occur will be left to regulation.

The comprehensive study lists will be left to regulation. Procedures for examining written evidence will be left to regulation. Public registries will be dealt with in the regulations. The workings of the follow-up programs will be left to regulations.

Let me give the House a sample of the crucial role regulations will play in determining the strengths and weaknesses of federal environmental assessment.

During the extensive committee work on this bill the Minister of the Environment had the following words to say, and I want to quote five paragraphs that have been recorded by *Hansard* in the minister's remarks. I quote:

"A year ago the committee studying the predecessor of Bill C–13 suspended its proceedings. One of the reasons was the committee's desire to better understand the bill by seeing some of the regulations that will be developed. There are some 15 sets of regulations which will accompany the Canadian Environmental Assessment Act. These regulations define the scope of application, assessment procedures and separate procedures for special cases. Regulations will be established to cover areas as diverse as international developmental assistance to the procedures which will govern environmental assessment on Indian lands which is in itself an important matter.

To fulfil my commitment to this committee, I choose to distribute copies of the two key draft regulations to you and to all who have participated in the process. When I say all, Mr. Chairman, I think it also includes the witnesses. This is unusual because the government usually reserves the prerogative to develop regulations outside the sphere of Parliament.

In this case we have legislation that is complex. It is one of the most important projects to be introduced, I think, in this Parliament. The regulations I have distributed, the comprehensive study list and the list of statutory and regulatory provisions are essential to making Bill C–13 operational. They are annotated to make them easier to understand. They are, as members will see, fairly complex".

I will just continue quoting the Minister:

"These draft regulations will provide the basis for a major consultative process outside the committee and they will provide us with a better understanding of how the bill will work. I should add that the consultations we are embarking upon are above and beyond the normal process of public notification that is included in the gazetting of regulations". One last quote from the minister: "Some committee members have asked to see other regulations that affect Bill C–13. I will not diminish the importance of the other regulations, but I ask you to understand that these regulations in many cases cannot be properly developed and constructed until we have finished our work on clause by clause. I can assure committee members that the development of all regulations will be the subject of consultations. I am sure the openness that has evolved in this committee will be reflected in the development of all regulations."

Mr. Bruchet from the Canadian Petroleum Association, speaking to the committee, added: "It is not necessarily the legislation, but the regulations that have the greatest impact on us.

Mr. Bill Andrews from the West Coast Environmental Law Association said to the committee: "The regulations themselves are important, if not the most important part of the bill.

Professor Morse from the Canadian Bar Association told the committee: "—about the importance of reviewing regulations before the passage of the bill, is that it is very important—There is just too much scope left for regulations."

Ms. Brown from the Federal Environmental Assessment Review Office stated: "The regulations will define the comprehensive study list and the exclusion list."

The parliamentary secretary, the member for Brandon—Souris, stated in clause-by-clause discussion: "It might be more advisable to discuss the question of the timeframe in the regulations."

Throughout the committee's work on this bill, time and time again, important issues relating to environmental assessment were left to the regulations. There is absolutely no question that the extent to which environmental assessment will be able to protect the environment, to safeguard the right of Canadians to a safe and healthy environment rests squarely on the regulations.

The Canadian people, through their representatives in the House of Commons, deserve to have the ability to review these regulations seriously.

This motion seeks the support of the members of this House to have all regulations laid before the House before the regulations come into effect. We are not asking a lot, but any 20 members, or 15 members of the other place, may call for the regulations to be put before the House as a motion.

A clause similar to this one exists in the gun control legislation, formerly Bill C-17, a regulatory clause that is very supportable.

Adoption of this amendment, therefore, is quite essential to safeguarding our environment. I ask for the support of the members of this House, as well as yourself, Mr. Speaker, on this very important amendment to Bill C-13.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I will be brief. I would like to congratulate the hon. member for The Battlefords—Meadow Lake for the key and vital role that he has played in committee in developing motions and in helping the entire process to come along and improving the quality of the final bill.

We in the Liberal Party do support in principle any attempt to open up the regulatory process. It is a very important one.

In this particular case, the member for The Battlefords—Meadow Lake puts forward a rather cumbersome methodology so to speak. Nevertheless, it is an attempt to open up the process and this is why I commend him for having done so.

It seems to me though that a better procedure would have been to put forward an amendment that would have made mandatory the reference of the regulations to the Standing Joint Committee on the Scrutiny of Regulations. This is a committee of Parliament that has the knowledge and experience needed to examine the regulations and to ensure that the regulations flow from the intent and powers that are contained in the act itself.

That committee has performed a very valuable role in the history of Parliament. It could perform a valuable role again in ensuring that the regulations that will be produced are in line with the intent of the law. It may be that when the revision of this bill takes place some time from now, that a measure of this nature will be recommended by the government.

• (1730)

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have the opportunity to very strongly support the amendment proposed by my colleague from The Battlefords—Meadow Lake.

The member for Davenport and the parliamentary secretary have noted the work done by the member for the Battlefords—Meadow Lake. It has been extraordinary and certainly our caucus has been very pleased with the progress he has been able to make with the government.

One of the most serious problems that we have with this legislation can at least in part be remedied by this amendment. The Trojan horse of regulations has been recognized many times in this Chamber by members of all parties where we pass legislation which is relatively understandable by everyone in the country who wants to take the time to read it.

Regrettably, the regulatory structures that are going to come with Bill C-13 are massive. There will be at least 15 sections of regulatory powers, some of them extreme-

ly vast. I quoted a moment ago from the Canadian Environmental Law Association and its concerns.

I would like now to take a moment to quote from a letter from the national environmental law section of the Canadian Bar Association that it sent to the FEARO office three weeks ago regarding its concerns with the regulatory structures as they are now being developed and why the approach proposed by my colleague for The Battlefords—Meadow Lake would allow members of this House back into that process.

The process is vitally important in terms of projects in our constituencies and a project or events which are environmental but give us concern in the country as a whole.

It points out that environmental assessment under Bill C–13 will be triggered in various ways, but for the present purposes in terms of this section of the correspondence, it points as follows to clause 5(1):

> 5.(1) An environmental assessment of a project is required before a federal authority

And under subclause (d):

> (d) under a provision prescribed pursuant to paragraph 59(f), issues a permit or licence, grants an approval or takes any other action for the purpose of enabling the project to be carried out in whole or in part.

The point that I want to make here is that these two provisions when read together give the Governor in Council considerable discretion. It goes on to say:

> However, certain observations may be made as to the intent of Parliament to structure that discretion.

One of the things that my friend from The Battlefords—Meadow Lake is doing here is he is attempting to bring us back into the process.

It was the government side not so many weeks ago in the firearms legislation that allowed parliamentarians back into the process to scrutinize regulations and to bring a new way of bringing those regulations back before the House if we felt necessary in substantial numbers. It would require 20 members of the House to trigger it. That is something we would all agree is quite reasonable.

It means about one member in 15 in the House has to feel so strongly about the proposed regulatory authority as to have it brought back before the House.

Let me give you some examples of why this is so important. These are things that very few members of this House are aware of. I am quite confident that almost no one in the country is aware of the Trojan horse nature of the regulations that are coming now with Bill C–13. This involves the whole reason that we have to have public disclosure and parliamentary scrutiny.

I quote again: "The national environmental law section appreciates the relative openness of the regulatory process employed to date under Bill C–13. Nonetheless, we are concerned about the process by which the statutory and regulatory provisions regulation is being developed.

Specifically, it is extremely difficult for even persons well versed in federal law and environmental assessment to make an intelligent evaluation of the discussion draft for this regulation.

We can comment on the legislative provisions which are referred to but can only guess at what has been left out. The only truly appropriate way to approach the development of this regulation would be to begin with a consolidated list of all federal powers, duties or functions which may be relevant and then proceed by a process of elimination. At a minimum the process of public consultations can only be effective and legitimate if the inclusions and exclusions from the list suggested by various federal authorities are made public".

It seems to me what my colleague is proposing here then brings us back in, which is absolutely mandatory. Let is look at what it is now proposing to dump out the side door.

Provisions under the Migratory Birds Convention Act are now proposed to be set aside. At the moment, a permit is required for any person who would disturb, destroy or take a nest, egg, nest shelter, eider duck shelter or duck box of a migratory bird pursuant to section 6 of the migratory birds regulations.

A large window of opportunity for projects to be assessed in the whole of the country was under that. Now we find under the regulatory authority the government wants to dispose of that. It similarly makes the point in relation to the Sparrow case how important constitutionally it is that that provision be in there for First Nations, but that has also been dumped out.

Subsection 9(1) of the atomic energy control regulations are proposed to be deleted. There is another trigger. Migratory birds, trigger, pull, boom. Under the atomic energy control regulations, one of the most

important subsections is pulled. The National Energy Board Act, some subsections are proposed to be deleted. In relation to water and fish, one of the most important ones in relation to the Oldman dam, Kemano II, Rafferty–Alameda, the Great Whale project, the Fisheries Act, sections 35, 36 and 37.

Again, this is the Canadian Bar Association: "It is our strongly held view that the power under subsection 35(2) of the Fisheries Act referred to at page 68 of the Statutory and Regulatory Provisions Regulations Work Book should be included in this regulation. The discussions of sections 35 and 37 of the Fisheries Act which appears at page 43 of the majority reasons of the Supreme Court of Canada in the Oldman River case is specific to the inclusive and not exhaustive definition of proposal in the EARP order".

I just have a couple of more examples that are critically important. It goes on to say: "However, leaving section 37 to one side for a moment, if section 36 of the Fisheries Act is omitted altogether from the statutory and regulatory provisions regulation, the effect may be to unduly restrict the application of impact assessment to the protection of fisheries. Specifically, we would be left with the rather unprincipled position that authorization, pursuant to section 35(2) of works or undertakings that alter, disrupt or destroy fish habitat, is subject to impact assessment while works or undertakings that result in the deposit of deleterious substances in water frequented by fish, or in any place where such substance may enter such waters, would not attract impact assessment. The federal government would thus be left with the rather blunt regulatory tool of prosecution".

Surely, that is not what we are after. It is that kind of regulatory nonsense that should be allowed for the scrutiny of this House, as my friend from The Battlefords—Meadow Lake has asked.

There are more examples that are critically important to the public understanding of why this particular amendment should be carried by all members of the House.

On the comprehensive study list as it is now proposed, whole categories of projects have simply been dumped out the side. That is quite inappropriate and it is members, such as members of this House, who would want to be involved.

For example, with modifications of national park boundaries, it is suggested that if it is more than 10 per cent of a national park that is going to be taken away, then there is an environmental assessment. But if it is less than 10 per cent, then that is fine. As the Canadian Bar points out, a 10 per cent limit may encourage project segmentation and the piecemeal erosion of national park areas or park areas.

On water management, similarly it is suggested that there has to be a 40 per cent target level. If only 40 per cent of a river is going to be taken away for a dam or a diversion, then there is no environmental assessment. So, as long as it is less than 40 there is no environmental assessment. Is it going to be measured at the headwaters, is it going to be measured at the estuary, is it going to be measured at high water, low water? These are Mack truck regulatory loopholes that are being brought in through the back door. It is why corporations in the country are quiet about this legislation; this is why the private sector are saying "well, we've been told—". For example, another Mack truck loophole is the criterion of 100 cubic metres per second of annual flow. Unless you are taking more than that, you do not need an environmental assessment.

• (1740)

Two more very quick examples, Mr. Speaker. I know that you, as an Albertan and Alberta born, will want to hear about these. These are critical in the west.

There is a limitation of 10,000 tonnes a day on minerals and mineral processing. Unless you are higher than that there is no environmental assessment required.

I mean, what kind of regulatory jiggery-pokery is that? You know about acid generating minerals, Mr. Speaker. What about the high arsenic levels in gold mines? What about uranium mines, what if they mine 9,999 tonnes a day? No assessments.

Similarly, this morning I raised a matter concerning the nuclear industry. Unless a nuclear site is going to produce more than 30 thermal megawatts, no environmental assessment is necessary. So, if a Slowpoke is going into the Edmonton General Hospital, there would

be no environmental assessment. I think the patients would want to know that there had at least been an initial screening and an assessment of something like that.

So the regulatory mouse holes now appear to me to be somewhat larger, more like rat holes. What we are suggesting through my friend from The Battlefords—Meadow Lake is that we let a few mongooses loose in the regulatory process to chase the mice and the rats out of those holes, and that the House have a bit of an eyeball, and a hairy one from time to time, on what these guys are up to.

Let us look at rail transportation. Unless you are building a rail line more than a hundred kilometres in length, or tearing one up of more than a hundred kilometres in length, you do not need an assessment.

What kind of a bill of goods are we being sold here? Who is plucking these figures out of a hat? A hundred cubic feet per second; a hundred kilometres long.

I know what has gone on. The cabinet has said, very hush-hush to the draftees: "Look, we are going to make this look tough and bold, this Bill C-13, but behind the scenes, under the skirt so to speak—no ill intent intended, Mr. Speaker—there is something going on". Under the kilt, my friend says. These are literary terms, Mr. Speaker. Robes was what I meant all along. You never know what could be going on.

Just a couple of final examples in terms of other kinds of projects that have been omitted. The comprehensive study list. How could we have gone through this whole process, identifying what kinds of projects, how they would be assessed, how we appoint people, mediation, interveners, scientists. We do all of this. Here I found the secret. I wondered all along. This is the final regulatory quote that you will need, this will fix you right up, this will let you know how to vote, this is the one.

In relation to the regulations, they point out "exclusions mandatory assessment". They expect to do about 10,000 screens per year, about 100 or more will get detailed study, then I slide down through the Latin *a priori* and all that kind of stuff and it says, and I quote from the minister's own secret little handbook here: "A few projects annually might warrant a public review".

I rest my case, Mr. Speaker. They are trying to exclude everything through regulation instead of saying right up front exactly what kind of law we needs. My friend from The Battlefords—Meadow Lake saw the rat holes, he saw the mouse holes, he invented a mongoose and he wants to let it loose. Let us let him do it.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I want to applaud my colleague from The Battlefords—Meadow Lake in drafting this motion because it is crucial that anyone who has had any opportunity to look at environmental legislation knows that the regulations are the teeth of the legislation.

This is not an unprecedented approach to dealing with those kinds of loopholes, or rat holes or mouse holes, as was previously discussed by the member for Skeena. It is a responsible approach by my colleague from The Battlefords—Meadow Lake because what he has done in his approach is not the reinvention of the wheel. He is adopting the same approach that has been used with Bill C-17, the gun control legislation, that the regulations come back to the House.

I know from having listened to Canadians from coast to coast to coast over the past year on constitutional affairs that people do want to be consulted. They want their members of Parliament to have an active role in the drafting of regulations and legislation so that the backroom approach to doing things is no longer acceptable.

We need a transparent process whereby people feel that they are being listened to and that their concerns are being addressed.

This is a way of not only achieving better environmental legislation and better reaction to environmental concerns, it is also a way of improving the status of members of Parliament who are actually going to be doing something. We are not going to be sitting behind closed doors like bureaucrats, we are going to be debating very important regulations.

I commend the examples my colleague from Skeena has put forward. This is not empty rhetoric. We are not trying to be obstructionist. We are not trying to make life more difficult for the government here, not in this instance. There will be other instances where we will try to make it more difficult for the government, but not in this instance. We are doing it in the most sincere way with the intent of trying to make sure that although Bill C-13, 54 pages of bill, is complex legislation, it is not everything. Behind those 54 pages are the regulations that have to go to make certain that the intent of the bill is adhered to.

That is why it is more than important, it is crucial to our support for this bill that this amendment be supported.

This is a way of not only ensuring better environmental legislation, it is also a way of ensuring that members of Parliament are included in the process and therefore Canadians are included in the process. That is what I have heard from people. They want in, Mr. Speaker. They want to be listened to. They want the Canadian environment, the international environment, to be assured. They do not want any more backroom deals. They do not want any more little smirks and chuckles. They want to make sure that the Canadian and international environment is looked at realistically, not in an obstructionist way, but the best environment possible for the world. They want the regulations to support that.

That is what we are asking. We want the members of the House to review the regulations. It is a simple request. I ask for your support.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise very briefly to support what the hon. member for Saanich—Gulf Islands has just said and what the hon. member for Skeena said, and the motion of my friend and colleague, the member from Saskatchewan.

I was on the committee that studied Bill C-80 which was the first gun control bill and then Bill C-17 which became the real gun control bill and which has become law.

I want to talk about how we came to get this particular section. Before I do I want to say how important, to reiterate again what the member for Saanich—Gulf Islands said, the regulations are. They are the teeth of the bill.

When you get these bills you really get a law. The drafters cannot put everything in the law so they put the general principles in the law and then they allow the government, the bureaucrats really, the ministry, to enact by regulation the parts of the law. You really get most of the legislation by regulation.

That is the problem we were faced with in the gun control bill. As I said we got a bill to control guns. We pre-studied the bill. Really it was Bill C-80 that went for pre-study. We held hearings. Then the bill was revised and became Bill C-17.

• (1750)

We studied that bill and we gradually began to work through amendments, very much like this bill. We began to reach a broader consensus. We still had a problem. It was safe to say that a large majority of people in the country wanted, as the polls showed, stronger gun control.

There was a minority in the country, mainly gun owners, who were afraid that gun control would go too far and would penalize them. There were a lot of crazy people and wild groups that had their views. They did not want any sort of gun control. But there were legitimate users of guns. I changed my view on this. I see some of my colleagues who helped persuade me that there were legitimate users of guns for hunting, fishing and for their farms. They had to have regulations which were reasonable regulations.

Originally, these people had a lot of false information about the bill. Once they got more information—and I am speaking of the gun control bill, I am drawing a parallel here— they were a little more open to the bill. They still had some concerns. They were concerned about the regulations. For example, how many clips could they put in their gun and so on. That was going to be done by regulations.

We also set up an advisory council so that people who were opposed to guns, those who wanted gun control, those who had concerns, guns clubs, wildlife people and so on, were mixed together in this group and we made sure there was a balance. They would advise the minister and the department. Then the department would bring down regulations. As a further protection, we wanted to have, as the member for Skeena said, public disclosure and parliamentary scrutiny. We wanted those regulations out in the open. We wanted people to see them before they came into effect. We did not want a process that would just delay the bill. You delay the regulation so that you never have any legislation at all. We had to walk on our tip-toes on this.

What the government came up with was a section exactly like this. It said a regulation passed under the bill, in that case the gun control bill, in this case the environment bill, must be laid before Parliament 20 days before the regulation would come into effect. It is not hard on the bureaucracy to do that. That could be done. Fifteen sitting days after the regulation is laid before

either the House or the Senate, 20 members can get up and ask that it be debated. Normally, most of the regulations would go right through but if a bad or a weak regulation was presented, then 20 members could get together and have a debate in the House or in a committee of the House. Within five sitting days after the filing of the motion without debate or amendment the House would have to put the question.

The regulation could not be delayed forever. You could not use it as a measure of delay. We are hopefully going to use it as a measure of public scrutiny.

My question to the parliamentary secretary is, if it was good enough for the gun control bill, is it good enough for the environment bill? I am waiting for the answer.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, regulations have always been a controversial issue. The most benign of bills can quickly become obnoxious and offensive by the establishment of regulations which do not please the population. I am sure that every member of this House has supported a bill as it passed through the House only to find that the regulations had made the bill impossible to support or, if they had known what the regulations were going to be when the bill went through the House, would never have supported the bill in the first place.

The process being suggested by the member for the Battlefords—Meadow Lake was unique until the bill on gun control came before this House. It is no longer a unique process, but it is still unique as far as the people of Canada are concerned. It is the first time that there has been the possibility of them being given input into regulations as they were being drafted or immediately after being drafted.

In the past, the regulations have often been laid before the parliamentary committee for scrutiny and a certain amount of debate. In some cases, I suppose, there was a certain amount of change, but there has not been in the past any machinery which has allowed the House of Commons to take a look at those regulations and make sure that they are acceptable by the—

An hon. member: And sometimes the regulations would not be legal.

Mr. Hovdebo: That is right. As my colleague has suggested, sometimes regulations have been found to be illegal. Those kinds of things can be brought before the House, debated and then voted on by this House.

This makes this House rather than the bureaucracy responsible for the regulations. I think the gun control legislation is probably a good example of the kind of information that needs to be fed into a committee or into the bureaucracy to establish the kind of regulations which are acceptable to the population of the country.

Should this be passed or put into this act, it would mean that no one can put into regulations the kind of policy which negates the act that was passed in the first place. That is the case if it is taken up by the courts which have often found that the regulations are illegal. No one knows at the moment what is going to be in the regulations, although we are often told when the bill goes through committee what is intended to be in the regulations, but we are often told things which either do not turn up at all, are changed considerably before they come before the committee or are put into effect as far as Canada is concerned.

Should members of Parliament in this House not be responsible for the effects of their actions? We pass legislation daily, or quite often. That legislation then becomes law and the bureaucrats or somebody establish a series of regulations. Maybe the method that is suggested here is a little cumbersome, but it is the best we have. We hope it is going to work well in the gun control legislation. Consequently, if it is accepted by this Parliament now, we hope it will work well in this particular act.

The Acting Speaker (Mr. Paproski): Can I put the question on Motion No. 31?

Some hon. members: No.

The Acting Speaker (Mr. Paproski): I will call it six o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HEALTH

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it gives me pleasure to rise and raise again the issues which I brought up in this House on November 19, 1991, and that had to do with the outbreak of tuberculosis in the communities along Lake Athabaska and Wallis-ton Lake in Saskatchewan, particularly the community of Black Lake.

At that time, in November, there was a massive public outcry including programs on national television and in the national media drawing the attention of the nation to what was happening in Black Lake and the totally unacceptable rates of tuberculosis that existed there. In late January I had the opportunity to tour those communities personally and see for myself again what was happening with respect to health.

• (1800)

I saw that the control program was working. It was quite obvious that the Health and Welfare officials assigned to the task were doing more that yeoman service. They were being very creative in working with the resources they had.

As well, the people in those communities who were contracted by Health and Welfare to help with the control program have also done an excellent job in making sure that people take their medicine, go to the doctor and make sure that health education is taking place around this disease.

Just this last Friday I had the opportunity to hear the Minister Responsible for Constitutional Affairs address the constitutional convention banquet. As a member of Parliament, I was proud to associate myself with the remarks of the minister at that banquet.

At that banquet he said: "Look what the policies of governments past have brought this country and its aboriginal peoples". He said and I quote: "Infant mortality that is double the national average, suicide that is twice as common and a rate of tuberculosis that is 10 times higher". We have recognition here by the minister and the Government of Canada before the aboriginal people that this rate of tuberculosis is unacceptable, especially in the context of the nation-building we are trying to engage in at the present time.

I would like to point out that the problem is not with the control program or the professionals. Besides TB in those communities there is hepatitis A and dysentery, all problems that indicate very clearly that we have a public health program that goes far beyond tuberculosis.

The basics are clear. There has to be clean water, workable sewer systems to keep those communities sanitary. There has to be a housing program that contributes to adequate housing. The minister challenged my statements at that time on housing. It is true that there are up to 15 people living in a 900 square foot house in those communities on Lake Athabaska. That is not a healthy situation.

I am calling on the government to take action, to build a road into the Athabaska so that those houses and sewer and water materials and healthy food can get in there and that the government put its money where its mouth is in this regard.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, we are very much aware of the housing conditions that exist on Indian reserves across the country. In recent years, the Department of Indian Affairs has provided over $120 million annually in capital subsidies to assist with house construction and renovations in First Nations' communities. Last year, for example, the department provided $130 million toward the construction of over 3,500 new houses and the renovation of 4,600 existing units; indeed, the average rate of construction and renovation over the past eight years has been in the area of 3,200 new houses and 4,000 renovations per year.

The Canada Mortgage and Housing Corporation has also provided additional operating subsidies to bands that have borrowed from approved lenders to build their houses. Because reserve lands cannot be mortgaged, Indian Affairs provided guarantees for housing loans. Since 1984, the First Nations have made much greater use of CMHC funding, and Indian Affairs now approves between $75 million and $100 million in loan guarantees annually.

The over-all result of these efforts, in partnership with the First Nations, has been to reduce the average number of persons per house, nationally, from 5.9 to 4.8.

Mr. Speaker, I see that my time is up. I would have many more good things to say, but it will have to wait till next time.

[*English*]

THE ECONOMY

Hon. Alan Redway (Don Valley East): Mr. Speaker, I do not have to tell you that we have a problem in Canada. It is a massive problem and it is called unemployment.

Last month unemployment reached some 10.6 per cent, the highest it has been in this country for almost six years. That is up from 10.4 per cent in January. In Toronto it is up to 10.8 per cent, up from 8.3 per cent a year ago and less than two years ago it was only 4.6 per cent in Toronto.

Sure, 10.6 per cent is still less than the 12.8 per cent that we hit during the 1982 recession, but that is really cold comfort to those who are unemployed.

What are we going to do about it? It will be recalled in my letter to the Prime Minister in January I suggested five initiatives.

In early February, the government acted on one of those, the 5 per cent down payment. I was pleased to see that some 6,000 people or more have taken advantage of that in less than one month.

In the budget on February 25 the government acted on two more of my suggestions, one the RRSP proposal, the other one cutting personal income taxes, very modestly I will admit.

The question of course is: Is that going to be enough to do the job to get the economy moving again? There are other things we can do.

One of those things is the lowering of the value of the Canadian dollar. That could make an enormous difference as far as unemployment is concerned and job creation.

A 1 per cent increase in the value of the Canadian dollar results in a $14 million sales decrease for Inco, the International Nickel Company of Canada, and it puts the jobs of some 10,000 employees of Inco in jeopardy. That is the same problem that all Canadian exporters have. They have problems with productivity, problems with labour costs but those cannot be solved in the short run.

The problem of the value of the Canadian dollar can be solved in the short run by reducing the spread between the interest rates in Canada and the U.S.A. That way we can help our manufacturers, our exporters and increase jobs.

It will be recalled that the Minister of Finance said that neither the Bank of Canada nor the government sets the value of the Canadian dollar. Back in November the Governor of the Bank of Canada said that it takes direction from the Department of Finance on exchange rates. Who are Canadians to believe? The Minister of Finance or the Governor of the Bank of Canada?

Fortunately, the value of the Canadian dollar has fallen somewhat. But tonight I want to ask the minister again to lean on the Governor of the Bank of Canada, give the direction that the Governor of the Bank of Canada says will be taken from the Department of Finance, lower the value of the Canadian dollar, create some jobs in Canada and get our economy moving again.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, the exchange rate is determined by market forces, not by the government. Interest rate spreads are an important determinant of the exchange rate, but several other factors impact on the market evaluation of the Canadian dollar. These factors include foreign borrowings by Canadian entities, our relative inflation performance, international uncertainty, and investor confidence in the policies of the government. This is illustrated by the continued appreciation of the Canadian dollar through the second half of 1990 and the first

10 months of 1991, which took place despite substantial declines in domestic short-term interest rates and in the differential with U.S. rates. Since its peak in November, however, the dollar has lost more than 5 cents, or 5.5 per cent, vis-à vis the U.S. dollar.

While the government does not have a target for the exchange rate—indeed, it cannot have one if we are to have an independent monetary policy—the value of our curency is clearly important and is monitored closely. Large swings in the exchange rate on a daily basis are not desirable because they create uncertainty and hamper our economic and trade performance. As a result, the government has instructed the Bank of Canada to intervene in foreign exchange markets in order to avoid large and abrupt swings in the value of the currency. Official exchange market intervention is designed to provide this very short-term stabilizing influence in exchange markets. It operates both when the dollar is subject to upward pressure as downward pressure.

Mr. Speaker, I would still have plenty to say, but I understand that my time has expired.

[*English*]

UKRAINE

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on February 7 I asked a question of the Deputy Prime Minister concerning the liabilities and assets of the former U.S.S.R. It is a very important question for those former nations that are now the independent states.

The answer was that this question was being discussed on an ongoing basis within the aegis of the G-7 countries.

• (1810)

On August 24, 1991, Ukraine declared its independence. On December 1, 1991, the people of Ukraine voted to ratify that declaration.

Canada acted very quickly in recognizing Ukraine as an independent state. However, since that time the government has been dragging its feet. As yet we have no ambassador, our mission is temporary, and Ukrainians wishing to visit Canada are still facing bureaucratic road-blocks.

This lack of will is even more obvious when compared to the United States and Germany. They have established full diplomatic relations with Ukraine.

The Department of External Affairs is still advising Canadians wishing to travel to Ukraine to obtain visas from the office of the former U.S.S.R. when it is well known that Ukraine has indicated that it will issue visas at the port of entry.

I would like to ask the parliamentary secretary to address as well the issue of Canada's position on the liabilities and assets of the former U.S.S.R.

The Prime Minister of Ukraine, Mr. Fokin, had invited the creditor nations of the former U.S.S.R., the International Monetary Fund, and the World Bank to a conference which was held in Kiev on February 18 to discuss the problem of the partition of the liabilities and assets of the former U.S.S.R.

Canada did not have a delegate there. The International Monetary Fund and the World Bank decided to boycott this conference.

Is this decision made in support of Mr. Bush's new world order, or is Canada no longer master of her own decisions due to the fact that 30 per cent of her national debt is owed to the international financiers?

As you know the liabilities of the former U.S.S.R. are $68 billion. Ukraine has accepted its share of 16.8 per cent and demands as well its *pro rata* share of assets that the former U.S.S.R. is holding abroad, including Canada.

It is my understanding that when Mr. Yeltsin was in Canada and met with our Prime Minister, the Prime Minister gave him a letter stating that Canada considers the assets of the former U.S.S.R. in Canada as belonging to Russia.

On what basis has he come to this conclusion? On what legal grounds did he do so, or was it an arbitrary decision of the Prime Minister?

Would the parliamentary secretary table this letter in the House, or would he prefer to deny the existence of this letter?

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, let me begin by noting the strong support that the Government of Canada has given to Ukraine since its emergence as an independent state. Canada led in granting diplomatic recognition, we have upgraded our representation in Kiev to an embassy, and we have been in the forefront among Western countries in providing programs of assistance to Ukraine as it converts to a market economy.

This transformation, which requires difficult but necessary adjustments in economic and institutional structures, is a critical ingredient in the adoption of democratic values. A key element will be the formulation of comprehensive economic reform programs in cooperation with the International Monetary Fund.

Ukrainian membership in the IMF and the World Bank, which Canada has been working to achieve as quickly as possible, will enhance its ability to implement such reforms as effectively as possible and with as little disruption as possible.

The conference to which the member referred did not take place. However, Ukraine has met with other republics as well as with representatives of western governments on a number of occasions to discuss the issue of the treatment of the external debts of the former Soviet Union. This is a matter of some importance to Canada as one of the major creditors of the U.S.S.R. The loans extended in good faith to the U.S.S.R. will continue to be serviced despite the changes in political structures. This is important not just for the creditors involved but for the former republics as well, since they have an interest in maintaining their creditworthiness in order to ensure continued access to financing from private as well as public sources in the west. After extensive consultations and discussions with representatives of the seven major industrial countries last autumn, most of the republics of the former U.S.S.R. did agree to acknowledge formally in a memorandum of understanding their responsibility for the debts which the Soviet Union had incurred. They also agreed to designate an agent to work with western creditors to service those debts. Ukraine has recently agreed to sign the memorandum and we welcome this as an important step to promote Ukraine's full participation in international commercial and financial markets.

[*English*]

POST-SECONDARY EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, on November 29, I rose in this House and actually addressed two questions to two separate ministers.

The first one dealt with information or data the Secretary of State through the student loans programs still uses which I believe disenfranchises the number of students who have wanted to take up post-secondary education. I think this is a serious matter.

In response the minister promised that there would be a thorough review of the student loan system and felt that it was necessary in that the program had been started 27 years ago and had not been changed since then. He also added he was close to tabling the completely revised version of the student loan system that would meet the primary objective of the program, which was to help students in need to finish their education and become full-fledged Canadian citizens.

What has happened since then, almost four months ago? The government decided to privatize student loans. The 3 per cent fee or tax on student loans is perhaps going to be cancelled. Unfortunately the students have been subjected to six months more of interest payments.

The second question dealt with a report that is entitled *Tradition in Education Toward a Vision of our Future* which includes a declaration of First Nations jurisdiction over education.

I wanted to know whether the minister had seen this report and what he thought of it. He had indicated that he was not familiar with it, but that when he and his officials had had an opportunity to complete an analysis he would be happy to review it and bring it forward at the appropriate time.

That was almost four months ago, and I ask: Where is the report? I should point out that this is not the first time that there has been a problem with this minister. For example, on February 13, certain chiefs of the Assembly of Manitoba Chiefs met with the minister to look at the question of social services for status Indian people off reserve. These people are suffering because of squabbling between the federal and provincial government. They indicated:

> We rightly expected to be received with due respect and a responsible and caring attitude from the Minister.

What happened? They referred to the minister and said:

> Instead, we were appalled and offended to receive from you an unwarranted, unsubstantiated and hysterical outburst of allegations and insinuations.

These particular chiefs went on and asked:

> I and my fellow Chiefs have been profoundly offended by the irresponsible generalized allegations and unprofessional conduct to which we were subjected by you. We feel that, at the very least, your personal apology is called for, along with an early opportunity to productively address with you the serious policy issues we have raised.

My point in bringing this latter matter up is to point out that the first item I have mentioned is not an isolated issue.

I would appreciate responses to the question of student aid and to those other matters I have raised with respect to the aboriginal peoples.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, my colleague talks about the system of student loans and we know that it guarantees loans through chartered banks or other designated lenders for all eligible students in Canada.

Mr. Speaker, $630 million in loans a year are guaranteed for nearly 215,000 students. Since the program began, $7 billion of loans have been made to almost two million Canadian students. This program has thus proven itself. The latest budget announced changes to reflect the economic and social realities of 1992. I think that the hon. member is drawing a hasty conclusion in saying that absolutely nothing is happening, when student loans are being reviewed as part of the normal review of the different programs in the various departments.

As for my colleague's second point, I must tell him that the Department of Indian Affairs has regular contacts with the Assembly of First Nations to try to improve and clarify the points being discussed at that level. I think that if the hon. member is patient, as I know him to be, he will have positive results quite soon.

[*English*]

INTEREST RATES

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise today concerning a question I asked of the Minister of Finance on November 21, 1991, on one of my least favourite subjects but one that I unfortunately had to raise many times in the House. It deals with credit card interest rates that the major financial institutions have been getting away with over the last number of months.

This is not a new issue. There are over 30 million bank cards in circulation across this country. According to the banks' own admissions, out of the 30 million cards roughly 50 per cent of those cards carry a monthly balance of $1,000 or a little more per month. It does not take a mathematical wizard to sit down and figure out that what you are dealing with is not just a few thousand dollars. Fifteen million cards times $1,000 balance per month adds up in the course of things to billions of dollars over the run of the fiscal year.

The problem we have is that as the prime rate or the T-bill rate plunged through the fall months of last year, we did not see a corresponding adjustment in the credit card interest rate market. Indeed, what we saw was that the big banks that offer Visa and MasterCard were charging the same rate of interest when the prime rate dropped as when the prime rate was four points higher.

We have constantly gone after the minister and the government to take some action. It has been the subject of much debate and much public scrutiny through the Consumer and Corporate Affairs committee. But the committee cannot take action. The committee can simply sit down and listen to interested groups of consumers and grill the banks as to why it is they think that interest rates, the spread of which was 12 points higher than the T-bill rate back in November, were not usurious rates of interest.

I want to put it in perspective. For every 1 per cent that the big banks charge in excessive interest on credit card balances, in the course of the year it amounts to nearly $150 million in additional interest charged to consumers. If this isn't gouging, I don't know what is.

We have called on the government time and time again to have the Minister of Consumer and Corporate Affairs call the banks, and in the absence of his persuasive abilities, to get them to drop these usurious rates of interest and to come in with legislated caps.

I want to make it very clear that I have never been a fan of legislated caps, but I am a fan of fairness in the marketplace, and fairness in the marketplace does not mean that the big banks can get away with a 10, 11 or 12 point spread over what they borrow their money at and what they lend it out to consumers at through the credit card interests rates that they charge.

I want to put this thing fully in perspective. We are in the middle of the worst recession we have had since the dirty thirties, and everybody knows that, everybody knows it. We have seen bankruptcies unlike anything we have ever seen before in our lives. The bankruptcy stats that came out for the month of January showed that bankruptcies are galloping out of control. There are over a million and a half Canadians out of work. Businesses are going belly-up a dime a dozen in this country. So there are not a lot of corporate profits around. Stats Canada reported for the fourth quarter of 1991. Listen to this. I do not know if the government was counting on getting a lot of tax revenue from profits. Do you know what the total non-financial corporate profits were in the last quarter of this year? They were a negative $2,007,000,000. That tells you that businesses in Canada are not making any money. They are going out of business.

At the same point in time as business in this country—and mostly small businesses, the generators of employment in this country—was not making any money, the big banks were making huge profits. The Royal Bank alone last year, in the middle of the worst recession we have ever had, recorded profits of $987 million. That is almost a billion dollars.

We have called on this government to take some action, either through the Bureau of Competitions policy, through whatever means possible, and if everything else fails to come in and force the banks to have a smaller and a lower rate of spread on interest between the prime rate and that which they charge to consumers.

We are now months later, Mr. Speaker, and we still have not heard any solutions. I look for some answers today from the parliamentary secretary.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, I must say I found it frustrating, when the hon. member said that in 1991 or 1992, the bankruptcy rate was higher than it ever had been. In fact, there were more bankruptcies in 1981–82, when the hon. member's party was in power.

That being said, I understand the hon. member's position on credit card interest rates. I can't say I particularly approve of those interest rate levels. However, I am a firm believer in market forces, and I would not want to underestimate the intelligence of my fellow Canadians. If the interest they have to pay on credit cards is too high, compared with the interest on a loan from a financial institution, I think people will have the good sense to go and borrow from a financial institution, to pay back what they owe on a credit card on which the interest is twice what they would be charged anywhere else. I think we have to let market forces prevail in this country. The hon. member said as much. He said he was not in favour of fixed rates nor of urging or obliging companies to have a fixed rate. I agree. Let the market decide, and let Canadians realize that if the interest they pay on credit cards is too high, they can refinance their debts at a better rate. I would urge all Canadians, especially the people in the riding of Trois-Rivières, to look at the options and choose the option that suits them best.

The Acting Speaker (Mr. Paproski): 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 6.26 p.m.

HOUSE OF COMMONS

Tuesday, March 17, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

BANK OF CANADA

TABLING OF ANNUAL REPORT OF THE GOVERNOR AND OF STATEMENT OF ACCOUNTS

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the annual report of the Governor of the Bank of Canada and the statement of accounts for 1991.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

NOWRUZ DAY ACT

MEASURE TO ENACT

Mr. Bill Attewell (Markham—Whitchurch—Stouffville) moved for leave to introduce Bill C-338, an act respecting the Iranian New Year's Day.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Attewell: Mr. Speaker, over 150,000 Canadians of Iranian descent contribute to the special mosaic that gives Canada its unique character.

Their roots are founded in the ancient Persian culture.

Nowruz or New Year's Day according to the Persian calendar, falls on the first day of spring. It celebrates the arrival of spring and the renewal of life.

With the help of Dr. Sy Kazemi, a constituent of mine and a leading figure in the Iranian community of Canada, I have prepared this bill so that Nowruz, the Iranian New Year's Day, will be recognized officially on March 21 every year.

Sy has just called again and asked that I close with Happy New Year or Nowruz to all Iranian Canadians.

The Acting Speaker (Mr. Paproski): Mr. Attewell moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and ordered to be printed.

* * *

PUBLIC SECTOR BONUSES ACT

MEASURE TO ENACT

Mr. Ronald J. Duhamel (St. Boniface) moved for leave to introduce Bill C-339, an act to eliminate the payment of bonuses in the public sector of Canada.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Duhamel: Mr. Speaker, this bill is a very simple one. Its intent is to ensure that those individuals who normally receive very huge bonuses are in fact treated much more in line with others who earn a living in Canada.

What we want to attempt to do is to make certain that there are no large payments that are paid out, some in excess of single family earnings in this country. I feel and some of my colleagues do that this would be a very important measure to show Canadians that we are willing to look at those other Canadians who enjoy substantially more than others.

The Acting Speaker (Mr. Paproski): Mr. Duhamel moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and ordered to be printed.

* * *

PETITIONS

CRIMES OF VIOLENCE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I have over 300 petitions here with several thousand names on them.

This is to add to the 270,000 signatures that I have already presented to the House of citizens who feel that there are serious deficiencies in the criminal justice system in Canada. There are many thousands of other signatures that have been presented by other members of this House of Commons.

I would like to add these to those. These petitioners feel that the crimes of violence against a person are serious and abhorrent to society. They ask the government to further amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

THE CONSTITUTION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have the honour to present today on behalf of my constituents a petition with regard to national unity.

It reads in part as follows. Canada is distinguished as one of the finest countries in the world with respect to its quality of life, its respect for human rights and responding to the economic, social and cultural needs of its citizens. They point out that the government has received advice from several quarters with respect to constitutional change. They would want the government to act quickly.

They ask the leaders of each political party represented here in the House to work together to bring about a satisfactory solution to our constitutional difficulties.

[*Translation*]

Like most Canadians, these people want a Constitution that meets the needs of our people, be they native, French-speaking, English-speaking or of any other origin.

[*English*]

GOODS AND SERVICES TAX

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I have the honour pursuant to Standing Order 36 to present a petition signed by a number of people from southern Nova Scotia, particularly Lunenburg county.

I notice that many of these people are associated with a very effective second story women's centre in Bridgewater.

These people petition noting that the goods and services tax is applied to feminine sanitary products and whereas these products are necessary for women during most of their lives and whereas the government has decided that the goods and services tax should not be applied to certain necessities such as food and medical services, they the undersigned humbly pray and call upon Parliament to consider removing the goods and services tax from women's sanitary products.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the following question will be answered today: No. 225.

[*Text*]

Question No. 225—**Mr. Taylor:**

> With respect to Revenue Canada Income Tax Regulation No. 7303 relating to Northern residents' deductions (*a*) did Schedule IX originally state that residents had to live more than 160 km from a town of 10,000 in Saskatchewan (*b*) did Schedule IX appear in a subsequent printing without reference to the province (*c*) are there 2 versions of this regulation and, if so (i) why was it changed (ii) when did this change take place (iii) how was the change publicized?

Hon. Otto John Jelinek (Minister of National Revenue): (*a*) Regulation 7303 was added to the income tax regulations in June 1988. Item 4. of division I in schedule IX to regulation 7303(2) lists 9 locations in Saskatchewan that, for the 1987 to 1992 taxation years, are deemed to be prescribed areas for the purpose of claiming the northern residents deductions under the *Income Tax Act*. Schedule IX has never placed any tests upon the eligibility of areas listed therein e.g., that residents had

to live more than 160 kilometres from a town of 10,000 in Saskatchewan as suggested in the question.

Regulation 7303(1) provides tests for other areas to qualify as a prescribed area provided that each area earns at least 50 points under the tests. Included in the tests is a 160 kilometre distance requirement from urban centres that might apply to residents of Saskatchewan. This requirement has not been changed since regulation 7303(1) became law.

(*b*) Schedule IX has not been amended, but will expire after the 1992 taxation year.

(*c*) There has only been one version of regulation 7303 promulgated.

[*English*]

The Acting Speaker (Mr. Paproski): The question enumerated by the parliamentary secretary has been answered.

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

The Acting Speaker (Mr. Paproski): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed from Monday, March 16, consideration of Bill C-13, an act to establish a federal environmental assessment process, as reported (with amendments) from Legislative Committee C; and Motion No. 31 of Mr. Taylor (p. 8309).

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I am happy to have this opportunity to speak briefly to this motion and in doing so to follow up some concerns that I have had for a long time going back to my days as the NDP environment critic in this House from 1984 to 1987, and I might add in continuity with a concern I have had since the time that I served on the McGrath committee on parliamentary reform.

That has to do with the whole matter of regulations and the relationship between regulations and legislation.

As I understand this motion that my colleague has moved, it would require that there be a process by which these regulations can be brought back before the House and debated if necessary.

When we consider all the things in modern day legislation that are left to regulation, a Parliament that does not have the ability to scrutinize regulation is a Parliament that is working with one hand behind its back at the very best. So many things which actually give reality or do not give reality to the intention of legislation work themselves out in the form of regulations.

That is why the NDP has moved this motion. It was a concern that we had going back to the special committee on reform of the House of Commons where we felt that one of the ways of empowering the House anew would be to give it more power over regulation.

We saw some of this happen pursuant to the debate and the outcome of the process that attended the bill on gun control, which my colleague the hon. member for Port Moody—Coquitlam handled for us. What we are suggesting here is something along the same lines.

The government accepted it then when its own backbenchers felt that they could not vote for a bill unless they were going to get a second crack at the real content of the bill in the form of regulations.

Surely if it is important enough to do when it comes to guns it is important enough to do when it comes to the environment, unless the government plans in its regulations to do by regulation what it would never dare to do politically. That is to exempt by regulation all manner of projects which otherwise would come under some kind of environmental assessment if we were to respect the spirit and the intention of the bill.

• (1020)

We say to the government that scepticism when it comes to the environment is in order. We want to see those regulations and we want Parliament to be able to

see those regulations. The government would like that we all pass the legislation and that we all feel good about a new bill. Admittedly it is a better bill than the one that came before this House previously. It is a better bill in large part because of the work done by my colleague, the hon. member for The Battlefords—Meadow Lake.

But the fact remains that unless we can be guaranteed that the regulations will indeed live up to the legislation and that the regulations are really up to scratch, we might find ourselves regretting this spirit of co-operation somewhere down the line.

As I started to say earlier, I am told by material we have received from the Canadian Bar Association that the regulations would limit environmental assessment to nuclear reactors with a power capacity greater than 30 thermal megawatts. This would effectively remove from comprehensive study the Slowpoke reactors which Atomic Energy of Canada Limited has proposed for such densely populated and sensitive locations as hospitals and universities, for instance.

The fuel in such reactors is sufficient to cause very serious environmental and health damage if there were to be some kind of accident. It goes without saying, at least I thought it would, that such a proposal to build a Slowpoke reactor at the University of Ottawa, not far from these Parliament Buildings, ought to come under some kind of environmental assessment. But we hear that what the government intends is its usual collaboration, uncritical slavish collaboration with the nuclear industry.

As good a piece of environmental legislation as this is, the government will be able to go ahead and exempt Slowpoke reactors from any kind of assessment wherever it chooses. I just think that gives the lie to a lot of the rhetoric which has accompanied the passage of this legislation so far on the government side.

I just use that as one example. There are many others, but I think it should go without saying that the regulations ought to live up to the spirit of the bill. It is clear that we have reason to worry that they will not. Therefore we insist on the passage of this motion which would make sure that Parliament would have some handle on whether or not those regulations did indeed live up to the legislation.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I would just like to take a few moments to speak to Motion No. 31, the amendment put forth by the hon. member for The Battlefords—Meadow Lake, and to indicate to the House, as I think most members know, that there is a very considerable amount of opportunity for consultation in the process with respect to regulations. Two of the most crucial regulations have already been presented to the committee in draft form, i.e. the law list and the comprehensive study list. It is anticipated that in fact four regulations may be finalized by the time the bill is eventually implemented.

The subsequent regulations will be proposed to the public as is normally the case. This process involves a considerable amount of public consultation and participation by all stakeholders. In fact I can report to you, Mr. Speaker, that meetings have already been held in some 15 cities throughout Canada as part of this multi-stakeholder consultation process. As a result of conversations I have had with some individuals who participated in the city of Regina, if I recall correctly, they as individual participants were very pleased with the process, encouraged by what they heard and pleased by the opportunity to be a part of the process.

I believe that the regulatory multi-stakeholder advisory committee is at work and provides all who are interested and who are concerned with a very real opportunity to be a part of that process.

In addition I would remind the House that any standing committee—and in this case the Standing Committee on the Environment would be the appropriate committee—has the opportunity to determine its own agenda and certainly to make proposed regulations a part of that agenda, if it so wishes.

We have done a very significant amount of consultation already. I am very familiar with the officials who are part of the process. They are well known to members of the House. The officials who work for FEARO and other officials working on behalf of the Department of the Environment are extremely conscientious in their desire to consult widely and to inform widely. I think members of the House would concur with that because the levels of consultation which have taken place during the course of our studies have been exemplary.

I believe there is a good process of consultation under way. I certainly would encourage the standing committee to place any proposed set of regulations on its agenda if it is at all so inclined, and I suspect it will be. I feel the legislation as proposed now does provide for an appropriate amount of consultation. I would encourage the

House therefore to support the legislation in its current form.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The 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. Paproski): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Motion No. 32, standing in the name of the hon. member for The Battlefords—Meadow Lake, Motion No. 33, standing in the name of the hon. member for Davenport, and Motion No. 34, standing in the name of the Minister of the Environment, will be grouped for debate.

Motions Nos. 32 and 33 will be voted on separately. An affirmative vote on Motion No. 32 will obviate the need for a vote on Motion No. 34, while a negative vote on Motion No. 32 will require a vote on Motion No. 34.

Mr. Len Taylor (The Battlefords—Meadow Lake) moved:

Motion No. 32

That Bill C-13 be amended by adding immediately after line 40 at page 49 the following new clause:

"71.1 A review of the operation of this Act shall be completed

(a) on any day before January 1, 1997 and

(b) on the expiration of every fifth year after that day by the Minister, who may for the purpose of that review consult with representatives of such organizations as the Minister considers appropriate, and the Minister shall cause a report of the results of the review to be laid as soon as possible before each House of Parliament."

Hon. Chas. L. Caccia (Davenport) moved:

Motion No. 33

That Bill C-13 be amended by adding immediately after line 40 at page 49 the following new clause:

"71.1(1) The administration of this Act shall, within five years after the enactment of this Act, be reviewed by such committee of the House of Commons, or of both Houses of Parliament, as may be designated or established by Parliament for that purpose.

(2) The committee designated or established by Parliament for the purpose of subsection (1) shall undertake a comprehensive review of the provisions and operation of this Act and shall, within a year after the review is undertaken or within such further time as the House of Commons may authorize, submit a report to Parliament thereon including a statement of any changes to this Act or its administration that the Committee would recommend."

Hon. Frank Oberle (for the Minister of the Environment) moved:

Motion No. 34

That Bill C-13 be amended by adding immediately after line 40 at page 49 the following new clause:

"72.(1) Five years after the coming into force of this section, a comprehensive review of the provisions and operation of this Act shall be undertaken by the Minister.

(2) The Minister shall, within one year after a review is undertaken pursuant to subsection (1) or within such further time as the House of Commons may authorize, submit a report on the review to Parliament including a statement of any changes the Minister recommends."

• (1030)

Mr. Len Taylor (The Battlefords—Meadow Lake): Top of the morning to you, Sir.

Mr. Speaker, this amendment calls for the minister to ensure that a full review of the act occurs at least every five years starting with the first review on or before January 1, 1997.

The amendment is very similar to the call for a five-year review of the act governing agriculture legislation passed in this House earlier this session, the Gross Revenue Insurance Program and the Net Income Stabilization Account program legislation which were brought before this Parliament and passed in the form of Bill C-98.

This bill to establish a federal environmental review process charts new waters. We have all acknowledged that over the last day here in the House. The bill seeks to lay out in law the role which the federal government and its agencies must play in assessing the potential environmental impact of major undertakings.

Given all the new environmental assessment or the lack thereof, given all the news generated in the form of James Bay II, the Oldman dam, Rafferty–Alameda, Kemano, Point Aconi and others, there can be no question that this is the most important single piece of environmental law ever brought before this Parliament.

As I said, the bill charts new waters and many of these waters remain murky. We already know of many of the weaknesses of the bill, weaknesses that the government refused to face during the committee work on the bill. We know that there will be other problems found down the road as we move along in the bill, as the provisions of this bill and its regulations are brought into play, tested and explored.

The future of our environment that we know we borrow from our children rests in part on the ability of the federal government to protect the environment from damage that may be caused by activities, policies and programs. The ability to review this act in depth at least every five years is one step in strengthening that protection for our environment.

This is not a new concept. All three political parties participating in the review of this bill have voiced similar concerns. As we know from the matter in front of us today, all three parties in the House have amendments in this regard.

I raised the need to review this act during committee discussions. The parliamentary secretary who is in the House today stated on one occasion: "I would remind Mr. Taylor, while this bill indeed is breaking new and important ground, legislation can of course be amended at any time".

Karen Brown, vice–president of policy and regulatory affairs of the Federal Environmental Assessment Review Office, stated before the committee: "The problem that we have right now is that we don't have enough experience to know exactly how we would work it into the bill. Until we get further experience we are really not sure what it is we would regulate and how".

The hon. member for Davenport who spoke quite well during the debate yesterday, representing the Liberal Party for much of the committee hearings, stated: "This was a technically difficult bill and, as Mr. Taylor said, we have learned a lot. We are charting new territory. We will probably discover the weaknesses and strengths of this bill as it is being practised. Probably in a few years there will be a set of amendments that will close the loopholes".

The parliamentary secretary also alluded to the future need to amend this act, and I quote him from the discussion during committee: "I guess my inclination would be to see how it operates", meaning the act. "When we reopen this after a bit of experience, perhaps Mr. Taylor's amendment would be at the right time".

All in this House and all Canadians agree that protecting the environment is central to the work the government should be doing. This bill sets out an environmental assessment process which would take a step toward strengthening the protection of the environment. As all of us who have been actively involved with this legislation know, the bill does not go far enough in protecting the environment. Because it charts new waters there will be undoubtedly important areas which will not be covered by the bill. Some important matters have already been ignored altogether. In other ways which may be unknown to us at this time, this bill will fail to address properly the needs of Canadians for strong environmental assessment and protection.

The simple motion before us today calls for the government to review this bill after five years and for every five years after that, to acknowledge that we should have a look at the very technical aspects of the bill to ensure that we are doing exactly the right thing.

The minister responsible has the authority to do this. It is a very simple task that the department should be doing in any case. The review allows for a more public presence in that review process.

In conclusion and put very simply, I state that there is every reason to support the motion I am putting before the House. There are many good reasons to support this review mechanism. I ask members of this House for their support for my motion.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, we have reached now an interesting point in our discussions. We have before us three different approaches to the same problem. One proposal is from my colleague for

The Battlefords—Meadow Lake, one is proposed by the Minister of the Environment and one by the Liberal side.

The question is, how do we put into the legislation the best possible, the most appropriate, the most open process to review the legislation itself?

When we debated the Canadian Environmental Protection Act some years ago in committee, the government of the day, which is the same government as today, did accede to pressures and the interventions of various participants. Included in that, I believe, was the distinguished member for York East who was a member of the committee and made a substantial contribution at that time to include in the Canadian Environmental Protection Act a review process which is the same as we are proposing here for this particular legislation, namely Bill C-13.

We are proposing something that exists in another statute. The idea is to set into motion a review of the legislation after five years. I believe all three sides agree on this. However, there is a difference in the approach in that we propose a review which is open and public. The proposal of the Minister of the Environment, which is the object of Motion No. 34, is very narrow I would say, because the minister would consult those whom the minister of the day considers appropriate. That could be a very narrow, limited consultation process and not a very open one.

If I understand the NDP proposal, it is also not as open as we are proposing. I have taken a careful look at the amendment proposed in Motion No. 32.

Therefore, what I am saying is that of the three options before us, it seems to me that the Liberal option is the one that will allow an established committee of the House of Commons or an established committee of both Houses of Parliament to hold public hearings so as to get the input from the field, from the affected sectors, from the public at large, as to the adequacy and the desirable changes and other aspects of the bill when it has reached the age of five.

• (1040)

In essence, that is what we are saying. There is not much that I can add except to stress the fact that public participation in environmental matters is a principle to which all three parties subscribe. It is my hope that on the government side there will be a favourable attitude to a proposal for a review of the legislation that does put emphasis on the role of the public five years from now when this legislation will inevitably come under scrutiny.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to pick up on what my colleague from Davenport said. I think that his approach is correct when he talks about using a committee of both houses and having more of the public at large involved.

I want to come at it from that sector of our community that is so important to making the success of that and that is the business community. We have a shifting attitude today from the business community in this country toward the environment, whereas three, four or five years ago, there tended to be an attitude where business and the environmental movement tended to operate in isolation.

Increasingly, we see a situation where the business community is taking a more proactive role in all areas of the environment. We in this House do not in any way, shape or form want this review process to move that relationship backward. If we can have a situation which promotes more business participation and involvement in the actual process of this bill, then I think we are going to create a lot more good will.

I keep referring to this organization. I do not believe we are utilizing all the resources of this national round table on the environment as much as we should. They have experts involved. It is a public-private sector organization which advises this Parliament. They have been able to bring together leaders from all aspects of the community and the business community. They keep stressing in their communication all the work that they do, that as we pull the leaders of the business community into this process, it has not only has a national effect, but most of these organizations have international linkages. Those international linkages are so important in getting a common environmental review assessment process going.

I support my colleague from Davenport and his motion. Any time we can have a more open, public at large participation through the committee process, it is only going to serve to refine the bill even more.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to rise to support the motion proposed by my friend from The Battlefords—Meadow Lake and also the one put forward by the member for Davenport.

It is unfortunate to hear from the government side this morning that it is not prepared to move on the matter of regulatory scrutiny. I would be very surprised if the government did not support in some way the proposal on five-year scrutiny of either the minister, or the member for Davenport, or the member for The Battlefords—Meadow Lake because if one looks simply at the rate of accelerating interest in and need for environmental assessment, one realizes that this legislation will be in need of a major overhaul in less than five years.

Even the last couple of days of debate have revealed some of the more obvious shortfalls of this legislation that have been incorporated into it for political purposes.

Let me deal with the time line again for a moment because it was only 17 years ago that the first cabinet directive was made in relation to environmental assessment, back in 1974, and it was only eight years ago that the now famous 1984 cabinet guidelines order was passed by cabinet. Many members of the House and many Canadians now understand that the wording was poorly drafted because it was not legislation, it had all kinds of open-ended sections to it and it has only been through a very extensive, costly, and time-consuming court process that it has come to have the kind of administrative legal impact that it has now.

We know now how long this legislation has been in the drafting form. It is some four years. Bill C-13 is very different legislation from what it was when it was called Bill C-78 and when in fact it first came out of the drafting process.

I want to compliment the minister. It is unfortunate that he could not be here for the debate, but I think we all understand why. It was the government itself which chose this particular period of time to have this debate. The minister's own travel schedule precluded his presence, but I want to compliment on the kind of process that he agreed to in terms of the legislative committee. I had hoped that it would carry on during this process and we would have seen more changes here.

It is, I think, worth other committees having a look at the kind of new process that was utilized by bringing in competent legal experts from the field of environmental law. Bill Andrews from the West Coast Environmental Law Association and Brian Pannell with his legal expertise in association with the Canadian Environment Network provided a very critical kind of assistance to the legislative committee.

All of us have realized that the number of changes that took place during the legislative committee process is likely to carry on. It would be naive to think that the body of growing expertise, not only in the area of environmental law but the ability to understand why we have to assess alternatives, is really making the best use of our resources. Is this particular proposal for a dam, a forest project, or anything else, really the best approach.

We are going to find an exponential increase in speed in the need for changes to Bill C-13. It would be deeply regrettable to not have the kind of review procedure that is being proposed and I am reasonably confident that we are going to see a positive vote on this some time later today.

The lack of opportunity within the legislation as it now stands for proper assessment of policies is an enormous and glaring loophole. Examples that jump to mind obviously are in areas such as the field of energy, where this government has just in its most recent budget put forward $178 million for Atomic Energy of Canada Limited and only about a third of that on the other side of the ledger for conservation and energy efficiency.

We have argued vigorously all along—the government has not listened—that policy assessment should be much more clearly delineated for assessment procedures under this legislation. I think when the public finds out that they are not getting sustainable development policies from government, not necessarily this one, but perhaps from a future government, they are going to want the legislation changed. A review procedure timetable could well allow on a regularized basis for legislation such as this. It might become every two years, every five years or whatever a regularized redrafting process for this kind of legislation that will need to be changed increasingly quickly.

• (1050)

The reason I say that is that there continues to be many people who hold high office in both the public and private sector who do not know such simple things as the fact that the Pacific Ocean has already risen in direct relation to global warming. People do not seem to stay abreast of these kinds of gigantic, ecological phenomena that are now scientifically known to a certain extent and understood. It is similar to the ozone hole, a very recent issue here in this House.

Should it not be the case that all of the government's policies related to the potential impact of CFCs or other ozone depleting substances undergo scrutiny? We know about it. We were warned in this House by the Minister of the Environment to be careful with our children and to be careful with children generally to keep them out of the sun because of the potential for increased depletion of the ozone over much of Canada later this year. It is not in the legislation now. We are just about to take a vote on a piece of legislation and it is relatively easy already to find areas of incredible weakness within the legislation already.

What about species loss. Mr. Speaker, I know you know about the issue of a loss of one acre every five seconds of forest land in Canada. Most people do not reflect on the rate of loss of forested land in this country. It is the kind of thing that should be clearly delineated in a piece of legislation like this.

It is only through amendments, such as that proposed by the Minister of the Environment, the member for Davenport and my colleague from The Battlefords—Meadow Lake, that we can constructively assure ourselves and the public that we will be able on a regularized basis to update legislation that is needed to address the largest single issue that we face, which is how to get the economy of this country and the economy of the world linked into sustainable development in its truest sense, which is sustainable habitat and some kind of steady state economics that does not have the kind of increasingly fast-moving, negative entropy that we are seeing right now, not only in the developing world, but in the most advanced countries where, the general environment and general consequences of a declining environment are affecting the populations in those countries.

I have spoken about the speed with which we have seen the change from 1974 until today, and that is a very short period of time. Many pieces of legislation do not have to be redrafted and changed as often. The bulk of changes that we have seen in relation to the assessment procedures from the 1984 cabinet guidelines EARP have come from court decisions. I do not think that this piece of legislation of itself is going to slow down the number of times that the public are still going to be seeking some kind of assistance from the courts.

I see you preparing to rise to support the brilliance of the amendment by my friend from The Battlefords—Meadow Lake, Mr. Speaker, so I will take this somewhat unique opportunity to sit down now.

The Acting Speaker (Mr. Paproski): I just want to bring to the attention of hon. members again relevancy, particularly to this motion. I appreciate the hon. member winding up by giving us an overview of the whole bill again, but I think it is important that we do get down to the nitty-gritty of the motions, please.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I would like to also commend my colleague, the member for The Battlefords—Meadow Lake, on bringing forth this amendment. It is an important amendment and an important addition to Bill C-13.

We have to remember that Bill C-13 is being brought forward and we are debating this just two and a half months in advance of the earth summit in Brazil.

Canada has an opportunity to have the best environmental assessment legislation in the world. That is what we are trying to do. My colleague from The Battlefords—Meadow Lake in committee tried to put forth some positive additions to the legislation and the legislation, to the government's credit, has been altered because of those interventions by both the member for The Battlefords—Meadow Lake and the member for Davenport.

However, having said that, I think that we all have to be reminded to have a little humility in this process. Although the bill is very much improved from the former bill, Bill C-78, it is not perfect. As I said yesterday, the search for protection is sometimes the enemy of the good.

What has occurred in the last five years in reaction to a vacuum in environmental assessment legislation has been a series of very expensive court challenges, not just to the communities involved but to the industries putting forth. It is also expensive to the government, the

taxpayers. Our money has gone forward because of a void in the legislation.

Although this Bill C-13 is much improved, let us take a realistic look at it. We cannot have thought of everything. I can already see some of the gaps in this bill that may very well provide all sorts of problems down the road. This is why it is important to have that five-year review as a mechanism that will reassure those people: "After five years, the House of Commons will review this legislation again". There is some certainty that we have five years.

That does not preclude the suggestion of the member for Davenport that a parliamentary committee review what is going on. Parliamentary committees are creatures unto themselves. They can review whatever they like to review, and that is as it should be.

The parliamentary committee on the environment has the ability to call witnesses on any issue. This five-year review mechanism suggestion put forth by the member for The Battlefords—Meadow Lake is an addition to that. I think it is a very positive addition.

In conclusion, I cannot see why this amendment, as proposed, could not be supported from all sides of the House. It is once again another positive intervention from the member for The Battlefords—Meadow Lake. He has achieved a great deal in committee and this is just one example.

I ask for the indulgence of the House in supporting this amendment.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I want to make a few brief remarks on the various amendments before us which basically deal with the involvement of the public in the review of Bill C-13.

As I understand the legislation right now, the government does not specifically address the whole notion of involving the general public in consultation in the review of this particular bill.

My colleagues to the left have indicated that yes, there should be some consultation involving the general public. That, in a sense, should be in the hands of a minister. At least I interpret it that way and I do not say that unkindly. I am a little nervous about that.

I would much, much prefer that it be consultation and involvement of the general public as directed by this House, or perhaps with the involvement of both Houses. We all know that environmental assessment has been a problem. I think we acknowledge that this is a step forward.

What we want to do whenever this particular piece of legislation is reviewed is to ensure that it is another step forward. The involvement of the public is clearly a key to achieving that kind of progress.

I think it addresses another issue. We are talking about the involvement of the general public in legislation that deals with the environment. At the same time, the involvement of the general public is a question that needs to be looked at by all governments at this particular period in our history.

We are not without knowing that we have an electorate, the general public who is much more knowledgeable, who is better read and who is much more sensitive to a number of issues whether they be environmental, economic, social, cultural or what have you.

• (1100)

There needs to be a mechanism whereby the general public can in fact be involved in a significant kind of way in the review of legislation whether it relates to environment or other issues.

[*Translation*]

With these comments, I just want to emphasize the main point, which is that the general public must be involved, not only in reviewing some environmental legislation, but I would say that we must go much farther and begin to review other legislation in other areas. This phenomenon of the public's desire for greater involvement is fairly recent.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, also the top of the morning to you on this St. Patrick's Day.

I rose in this debate before to speak generally on the environment. I said at that time that the environment is a huge concern of my constituents in Port Moody—Co-

quitlam, which lies about some 30 kilometres to the east of Vancouver. It is one of the fastest growing suburban areas in Canada. It has a magnificent setting at the mouth of the Fraser River up against the coast mountains. Also the flowers bloom there today as it snows in Ottawa.

The concern for the environment reflected from my riding comes especially from young people who see the environment as a great priority. They are right. There is a commitment by myself, my colleagues and the New Democratic Party. We have taken a collective decision that the environment will be a priority. That is why we have been speaking and offering amendments. I congratulate my colleagues for their work.

This amendment calls for a review of this act so that we can update it, so that we can make sure it is working and so that we can scrutinize it because things change so quickly in the environment. I want to to show how these environmental matters work and why we need to review things so quickly.

Let us take the mighty Fraser River and deal with that and the environmental problems. The Fraser was named by David Thompson, the explorer, after the fur trader, Simon Fraser, of the Northwest Company, who was the first European to follow its course to its mouth in 1808.

Aboriginal people had been using the Fraser River to live beside and to fish in since time immemorial. This is one of Canada's great rivers. It is 1,368 kilometres long, rising from your province—

The Acting Speaker (Mr. Paproski): Again, I appreciate what the hon. member is saying. A lot of us appreciate the history lesson we are getting here. I still would like to mention relevancy. I know the hon. member will come back to it. But within the 10 minutes that he has I would appreciate it if he would speak on the motions, please.

Mr. Waddell: Of course, Mr. Speaker is right. I just wanted to show the area of the river. Here are a couple of problems that pertain to this bill and why it needs review.

The first one is that there are industries and projects by the river. For example, in September 22, 1990 our environment critic, the member for Skeena, wrote to the minister about a de-inking plant that started up on the banks of the river. He wanted to know whether there would be an environmental assessment project of this plant.

In this bill there is some question of the regulations that will be made and will it be necessary to have an environmental assessment for small projects. This is something we are concerned about. It seems from the debate that it will not be necessary. We want to know how it is going to work. If you have a collection of small projects, like a de-inking plant and other plants on the banks of the Fraser, that affects the water quality of the river.

Should there be an environmental assessment under this bill? Probably not. Likely under the bill there would be, but we want to come back to this bill, to revisit the bill, to see whether it is working, to see whether the regulations are too broad, and so on, and whether there has to be more environmental assessment even for a small project.

For example, a small nuclear reactor was talked about by one of my colleagues here. If that goes in at a hospital beside the river, will that be environmentally assessed, or should it be assessed? Well, let us have a look at that and see how the bill is doing.

Another area I want to talk about is as to how it fits in with the other projects. I will give you an example.

I wrote to the Minister of Fisheries and Oceans on May 16, 1991 about a debris control board on the river, about a board that got $180,000 from the federal government and money also from the Association of Forest Industries, a like grant of $180,000 and another $180,000 from the provincial government. And what that board did is it cleared up the debris in the lower Fraser River.

Now that is a very important environmental project. And it appears that the federal government is going to drop the funding for this and really open it up which will endanger fishermen, endanger yacht owners and so on, and endanger the port of Vancouver by allowing debris in the lower river.

The problem is that the government cannot on the one hand come to the House and say: "Here is a bill that is really going to tackle the environment," and the next week with a green plan, come and say: "Look, we are going to spend $10 million on the environment," and forget the kind of small but effective projects like the Fraser River debris trap.

One of the local journalists, Sandy McDougall of the Tri-City *News* in my area of Coquitlam wrote that it is the small projects that are really the effective things that can be done for the environment and I agree.

That is why I have been taking this cause up in the House. When the government brings in a huge environment bill, or the government brings in a big green plan or huge $10 million or $20 million projects, I am saying deal with the small things. They have an environmental impact and they are worth looking at.

I wrote again to the present Minister of the Environment on February 11, 1992. I asked him to have another look at reinstating the funding for this environmental project. The mayor of Port Coquitlam and the council wrote on this project. Not only that, but also the Vancouver Port Authority wrote, the yachting people wrote, and so on. I am just looking here at a letter from the Centennial Sailing Club, for example, which said; "You have got to change your view about funding the debris control traps on the lower Fraser River because this is an important environmental issue".

Let me just conclude by saying that we have to have a further look at this bill. We have to keep looking to see whether it is working. We have to not only consider the big projects but also we have to consider the small projects. A good example is this debris trap. It costs $180,000. That is a small amount in the context of all the money spent, but here is an effective environmental project, here is something worth looking at.

I urge the government to reinstate it as this bill passes this week. I understand the government might even be prepared to do that. If it does, I will be the first one to applaud it. I say to the government: Let us make this bill work; let us consider the small projects; and let us have a review of this bill as this amendment suggests.

• (1110)

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I have a few brief comments on the three motions grouped together which are Motions Nos. 32, 33 and 34. Perhaps I could take the opportunity for the benefit of those who are watching or subsequently reading *Hansard*, the recordings of this debate, to note that government Motion No. 34 calls for a new clause, clause 72, which reads:

> (1) Five years after the coming into force of this section, a comprehensive review of the provisions and operation of this Act shall be undertaken by the Minister.
>
> (2) The Minister shall, within one year after a review is undertaken pursuant to subsection (1) or within such further time as the House of Commons may authorize, submit a report on the review to Parliament including a statement of any changes the Minister recommends.

Very briefly, government Motion No. 34 is indeed an attempt to draw upon the suggestions of both Motions Nos. 32 and 33 and to provide for the type of subsequent review that many members, as they have already indicated, believe would be helpful. In other words, in very simple terms, there would indeed be a comprehensive review of the act after its operation, five years after it has come into force.

The minister would then report to Parliament, which of course is a public document, and as always the Standing Committee on the Environment would have the opportunity, if it wished, to place this report on its agenda, to invite the minister to appear as a witness before that committee and as a committee is empowered to do, to invite other witnesses if it so chose.

In a very real sense, the government has indeed attempted to draft what might be described as a suitable compromise, recognizing the merits of the arguments as presented in both cases, ensuring indeed that there will be a review after five years of the act being in operation, ensuring that that review will be made public and ensuring as well that the Standing Committee on the Environment, if it is so inclined, certainly will have the opportunity to have the minister bring that report before it for its examination and indeed, to ask other interested members of the public to appear as well.

In a sense Motion No. 34 is a reasonable compromise of Motions Nos. 32 and 33. I would hope therefore that the House would support Motion No. 34.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Motions Nos. 32 and 33 will be voted on separately and an affirmative vote on Motion No. 32 will obviate the need for a vote on Motion No. 34, while a negative vote on Motion No. 32

will require a vote on Motion No. 34. Therefore, the question is on Motion No. 32, standing in the name of Mr. Taylor.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

The next question is on Motion No. 33 standing in the name of Mr. Caccia. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

The House will now proceed to the taking of the deferred divisions of report stage of the bill now before the House.

Mr. Clark (Brandon—Souris): Mr. Speaker, a point of order. If I heard you correctly, you have not yet addressed government Motion No. 34.

The Acting Speaker (Mr. Paproski): Once the vote is taken on Motion No. 32, we will take it on Motion No. 34. We cannot do it until we have taken the vote on 32 and 33. Therefore, we cannot take it on 34. We will do that later on today. It that clear for the hon. member?

Mr. Clark (Brandon—Souris): As always, Mr. Speaker, your words of advice are both clear and acceptable.

Mr. Redway: Mr. Speaker, on a point of order. I believe there is agreement that the votes will be deferred until three o'clock today.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Agreed and so ordered. The vote will take place at three o'clock this afternoon on the deferred divisions.

* * *

WILD ANIMAL AND PLANT PROTECTION ACT

MEASURE TO ENACT

Hon. Frank Oberle (for the Minister of the Environment) moved that Bill C–42, an act respecting the protection of certain species of wild animals and plants, be now read the second time and referred to Legislative Committee C.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I would like to begin by saying that it is a pleasure for me to be able to speak to the House today by way of introduction of second reading of Bill C–42, an act respecting the protection of certain species of wild animals and plants.

This is very important legislation which certainly has the attention of the nation, as is evidenced by the amount of mail which I have received. It is a bill which I am pleased is now before us for second reading debate.

Mr. Speaker, as you may recall, in 1987 the Government of Canada sponsored a major international conference here in Ottawa, the Sixth Conference of the Parties to the Convention on International Trade in Endangered Species.

The present Minister of State for the Environment had the honour of presenting the welcoming address at

that conference and she had the privilege of announcing to the 650 delegates representing 88 countries and over 100 non-governmental organizations that Environment Canada was developing new legislation to control international trade in and interprovincial transport of foreign and Canadian wild species.

The Wild Animal and Plant Protection Act, which we refer to as WAPPA, is that new federal legislation. It will regulate international and interprovincial trade in wild animals and plants, including their parts and products. Its objectives are to protect Canada's wild animal and plant species from illegal trade, to help protect wild animal and plant species in foreign countries from poaching and smuggling and to protect Canada's ecosystems from the introduction of designated harmful species, the so-called biological pollutants.

The importance of the issues addressed by Bill C-42 should not be underestimated. In a February 1991 submission to the Minister of the Environment, the coalition of leading wildlife and nature organizations, known as the Group of Eight, identified 10 priority issues for biodiversity and sustainable development in Canada. One of these is improved federal wildlife legislation concerning poaching and illegal trade in wildlife and effective enforcement of such legislation.

Bill C-42 will complement existing provincial and territorial legislation governing the conservation of wild animals and plants. As well, it will allow Canada to better comply with international agreements and support the efforts of other countries to conserve and protect species, especially endangered ones.

• (1120)

As I shall explain later in these remarks, unless this legislation is passed, the federal government will have limited capability to stop trade related illegal exploitation of wildlife, whether this wildlife is the falcon in Canada, or the rhinoceros in Africa.

Therefore, it is especially gratifying to be able to begin debate as that legislation, Bill C-42, moves to second reading today.

Before getting into the specifics of the legislation before the House, I would like to discuss the context within which Bill C-42 was developed. On December 11, 1990 the Government of Canada set out a comprehensive policy and action plan to implement sustainable development in Canada. As members know, that was Canada's Green Plan for a Healthy Environment whose objective is "to secure for current and future generations of Canadians a safe and healthy environment and a sound a prosperous economy". To meet this challenge the green plan set out specific goals and targets and schedules for attaining them.

As part of its program to conserve and protect Canada's special spaces and species, the plan proposed introduction during 1991 of new legislation to deter poaching and illegal trading of wild animals and plants. The government is dedicated to fulfilling its green plan commitments and Bill C-42 received first reading in the House of Commons on November 7, 1991.

This bill is an important green plan initiative and embodies many of the principles of that plan. Poachers, smugglers and traffickers in wild species have no respect for nature and respect for nature is a fundamental tenet of the green plan. The plan emphasizes a strong relationship between a healthy environment and a healthy economy. Illegal trade in wild species undermines that relationship. The green plan stresses co-ordinated action by the federal government. All federal agencies concerned with trade in wild animals and plants will respond under Bill C-42.

Furthermore, implementation of this legislation will also reflect the shared responsibility of the federal and provincial governments with regard to wild species. The strengthening of these partnerships is also an important tenet of the green plan and the Wild Animal and Plant Protection Act will have the added benefit of ensuring the efficient use of public resources. Equally important, the legislation will provide a framework within which all affected and interested parties can work together to develop a program which attacks poaching and illegal trading in wildlife effectively. The Wild Animal and Plant Protection Act will indeed be a partnership for change.

Any co-ordinated and comprehensive approach aimed at fostering a healthy environment must take into account the protection of wildlife. That is why Canada's green plan called for the national wildlife strategy which was announced on November 29, 1991. Bill C-42 is an important component of that strategy.

Under the heading "new legislation to attack poaching and illegal trading", the words of the green plan as they set out the objectives of the national wildlife strategy have great relevance in describing the problems faced in the protection of wildlife from poaching and illegal trade.

The illegal trade in both wildlife and wildlife products is big business both in Canada and around the world. In some circumstances it is having a devastating effect on wildlife populations. For example, the future of the world's rhinoceros population is in grave danger because of the demand for the animals' horns for traditional Asian medicines and for dagger handles in the Middle East. In Canada there is a growing export market for bear gall bladders, again for traditional Asian medicines.

Mr. Speaker, as you and I know, I have spoken publicly and in this House before with reference to the slaughter of a very famous black bear in Riding Mountain National Park called Duke, perhaps the largest black bear in all of North America, that was tragically slaughtered for this very purpose.

In response to these and similar problems here is the commitment that the Government of Canada made in its green plan:

> In support of Canada's international obligations under the Convention on International Trade in Endangered Species (the CITES Convention), Canada will reduce the threats that poaching and illegal trade pose to domestic and foreign wildlife conservation by introducing the Wild Animal and Plant Protection Act in 1991.

In addition Canada's green plan called for strengthened wildlife law enforcement through tougher laws and stiffer penalties and for special measures to reduce the poaching and smuggling of wildlife in Canada. Bill C–42 fulfils these commitments.

The legislation now before the House will provide Canada with integrated, contemporary and forward looking trade controls for the conservation of Canadian and foreign wildlife and the protection of Canadian ecosystems. It will prevent illegal trade in wildlife, particularly endangered species. It will also assist in protecting Canada's ecosystems by controlling trade in designated harmful or undesirable animal or plant species.

The Wild Animal and Plant Protection Act will prohibit trafficking in Canadian and foreign endangered species and their products which are controlled by the CITES Convention. Through improved enforcement powers, the act will enhance implementation of the CITES Convention on endangered species. It would also prohibit wild animals and plants from being brought into Canada if they have been taken or otherwise dealt with in violation of foreign conservation laws. Similarly, if wild animals and plants had been taken, possessed, transported or sold contrary to provincial or territorial wildlife laws, the bill will prohibit their transport across provincial or territorial borders.

These provisions will ensure that poachers and smugglers do not escape prosecution simply by leaving the jurisdiction where the illegal activity took place.

Obviously this challenge cannot be met without additional resources. The government is serious about this legislation and is making available new resources in times of restraint. The bill provides a $12.3 million support program under the green plan and resources obtained under the green plan will establish enforcement capabilities which ensure that implementation of the bill is effective, efficient and fair.

The legislation will also provide much tougher penalties, sufficient to deter poachers and smugglers; fines of up to $100,000 and prison terms of up to five years.

Canadians recognize that the need for the Wild Animal and Plant Protection Act is very great. Indeed, in July 1990 Zoocheck Canada, an NGO, was sufficiently concerned to sponsor a special forum entitled "The Trade and Traffic in Wildlife". Held at the Metro Toronto Zoo, the meeting was attended by Canadian and American experts on international wildlife trade and drew attention to this matter.

International trade in wild animals and plants remains considerable. Illegal trade in wild species continues to be fuelled by the high value placed on certain species, their parts and derivatives.

Canada's wild species are being poached, Canadians are smuggling wild specimens and Canada is being used as a transit route to the United States and elsewhere for illegal shipments of wild animals and plants. The present federal legislation lacks a needed regulatory and enforcement capability.

This urgent need to better protect our wild animals and plants has led to the first overhaul of federal legislative trade controls on Canadian wildlife in half a century. This reform is long overdue. Present instruments to control trade in wild species are complicated and unfortunately inadequate.

For example, at present, Canada's Department of External Affairs is responsible for the legislation through which the CITES Convention is now enforced in Canada. This is done under regulations of the Export and Import Permits Act which was initially passed in 1947 following the establishment of various trade controls during World War II for supply and other reasons.

As things stand now, Customs Canada and the RCMP are the only enforcement bodies with the legal authority to make interventions in this field. As excellent as these groups are, they have many other responsibilities and priorities and are not necessarily fully trained in or familiar with wildlife and conservation issues. Under present arrangements, the responsibilities of the federal department most related to the issue, Environment Canada, are either non-existent or strictly limited.

Similarly, the Game Export Act of 1941, which controls interprovincial transport and export of Canadian wildlife, is weak and dated. It applies only to dead game and fur, yet live specimens and non-game species are poached and smuggled. Its enforcement powers are weak. For example, there is no power to inspect. Penalties are limited to a maximum of $1,000. There is also a need to introduce into federal legislation flexibility which does not exist presently under the Game Export Act.

The inadequacy of legislation in this field has long been recognized. As early as 1953, recommendations were made by federal-provincial wildlife conferences to the effect that the Game Export Act be changed to better control exports, imports and interprovincial shipments of live game.

Further recommendations regarding wildlife were made in 1957, 1960, 1961, 1968 and 1970 and yet few legal instruments were passed. Despite these recommendations to expand and improve inspection for wild species, until now legislation in these areas remained a helpless hodge-podge of far from satisfactory federal measures.

Because the existing laws in this field have been weak and dated, Canada's implementation of the CITES Convention and the Game Export Act has been severely hampered and wildlife has suffered the consequences.

• (1130)

From 1982 to 1985 the federal government presented white papers on the topic to the provinces. Then in 1987 the consultations which led to the present legislation began in earnest, each new version of the draft bill a refinement of its predecessor. Four workshops were held during 1990. These helped develop and define the roles and responsibilities of the federal and provincial governments and helped outline the regulations that would be needed to prevent poaching and smuggling of wild species.

The result is Bill C-42, the bill that is before us now: its prohibitions, regulatory authorities and planned administrative delegation of responsibilities. The proposed act respecting the protection of certain species of wild animals and plants will give the federal government through Environment Canada the authority, first, to control import or export of wild animals or plants, or their parts or products, according to the international agreements and the conservation laws of other countries.

Second, it will be given the authority to control import or transport from one province to another of designated live wild animals and plants, thereby preventing the introduction of species potentially harmful to Canada's ecosystems, or to the ecosystems of a receiving province.

Third is the control of transport from one province to another of any wild animals or plants, or their parts or products, that had been obtained or removed in contravention to conservation laws of a province.

Fourth, it can prohibit the possession of wild animals and plants, or their parts or products, that have been imported or transported or about to be exported or transported in violation of the act.

Fifth, subject to regulations for conservation purposes, it has the authority to prohibit possession of endangered wild animals and plants, or their parts or products, if possessed in order to sell or distribute them.

The time for this legislation has come. Concern about illegal trade in wildlife is growing. For example, the subject of the World Wildlife Fund's 1991 fall fund raising campaign was illegal trade in black bear gall bladders. I would like to quote briefly from the literature:

> The World Wildlife Fund wants to make sure that this new threat to Canadian wildlife is confronted right now, before it gets entirely out of hand. Canada urgently needs clear legislation. And we must have strong enforcement.

I should perhaps mention that Canada has already taken early action with respect to the black bear situation by unilaterally listing the species on Appendix III of the CITES agreement. But this alone is not enough. As the World Wildlife Fund notes, clear legislation and strong enforcement are also needed.

Bill C-42 will be of great benefit to wild and endangered animals and plants in Canada and around the world. Its purpose is not to stop all trade in wild animals and plants. Rather it will protect endangered species from trade related overexploitation, prohibit trade in illegal wildlife and regulate ongoing trade in non-endangered wild species in order to prevent poached wildlife from entering the legal trade.

Perhaps I could explain the provisions in some detail. For example, one of the major objectives of Bill C-42 is conservation of the world's endangered wildlife through the elimination of illegal international trade in wild plants and animals.

WAPPA will make it illegal for a person to import into Canada any wild animal or plant which that person knows to have been taken, possessed, distributed or transported in contravention of the laws of any foreign state. Thus the act will ensure that a person cannot escape prosecution for the violation of another country's wildlife protection laws simply by leaving that country and hiding out in Canada. Canada will not be a haven for those who poach and smuggle wild animals and plants in other countries.

WAPPA will replace the Game Export Act and regulations made under the Export and Import Permits Act through which the CITES convention on endangered species is implemented in Canada. Each of these acts controls international or interprovincial transport of wildlife through the use of a permit system. These permit systems must and will be maintained under the new legislation. To avoid unnecessary paperwork for importers and exporters where foreign, provincial or territorial permits fulfil the objectives of the act, through regulations these will be accepted instead of a federal permit.

Under the act federal permits will be required for the import and transport within Canada of wild animals and plants where this is necessary to prevent the introduction into the wild of potentially harmful wildlife. A list of species of concern will be developed in consultation with the provinces, territories and interested parties, and designated in regulation. The federal government is constitutionally responsible for matters relating to international trade and interprovincial transport. This is the reason for the requirement for a federal permit. However, upon agreement, administrative responsibility for the issuance of some permits will be transferred to the provinces. Individual provinces and territories will therefore determine what wildlife may be brought into their respective jurisdictions from other parts of Canada.

The Hon. Bud Wildman, minister of natural resources for the province of Ontario, recently wrote expressing his support for the legislation:

> —the revision of the *Game Export Act* in CITES related legislation. The steps taken by your government indicate that Ontario's concern for the conservation of wildlife and plants have been adequately addressed in the proposed Wild Animal and Plant Protection Act—The conservation and welfare of Ontario's ecosystems are high priorities for the provincial government. Accordingly, I am offering my full co-operation and preparation of the supportive legislation.

Domestically WAPPA will work to conserve Canadian wildlife within our borders by controlling the interprovincial transport and export of wild animals and plants. The act will prohibit trade in wild species subject to provincial and territorial conservation laws in various ways. If a provincial or territorial permit is required for the removal of wildlife under the act interprovincial transport cannot occur until that permit has been obtained. The new legislation also prohibits interprovincial transport if removal from a province or territory is simply prohibited or if a person knows that the wildlife has been taken, possessed, distributed or transported in violation of any provincial or territorial law.

One of the most important sections of the new act is the one that deals with the possession of wild animals or plants which are being or, have been traded in contravention of the act. This section also addresses possession of endangered species for the purpose of sale or distribution. This provision is essential in order to fight illegal

trade in wildlife generally and commercialization of endangered species in particular.

By means of the prohibitions regarding possession of wild animal and plant specimens, the act makes a significant contribution to stopping poaching and illegal trade in wildlife. The act ensures that all those involved in illegal trafficking in wild specimens, not just poachers, shippers or transporters, are liable to prosecution.

For example, those who receive wild animals and plants which they know have been imported or transported illegally can be prosecuted, even though they were not involved in the actual import or transport. Thus the act will strike at the market for illegal traffickers. All too often it is these people who encourage others to commit the import or transport offence.

At the same time, however, legitimate trade in endangered species must be protected. Regulations will be put into place which ensure that zoos and others who captively breed or artificially propagate endangered species may continue to do so. This will ensure that the benefits these important conservation activities bring to endangered species are not compromised.

These regulations will be developed in close co-operation with our many government and non-government partners, and in particular those who will be directly affected by this legislation. Organizations such as the Canadian Association of Zoological Parks and Aquariums, the Avian Preservation Foundation and the Pet Industry Joint Advisory Council of Canada support the objectives of the legislation. These organizations have offered their assistance in preparing the regulations, and the zoo and aquarium association wishes to assist with implementation of the act in ways such as public awareness, species identification, the temporary or permanent holding of detained or seized live specimens and the development of guide lines for the private breeding of endangered species.

The poaching and smuggling of wild animals and plants is a lucrative, large and growing business, and I say that with regret. Domestically illegal trade in such wild species as bears continues in order to satisfy demand for live specimens or their parts. As I have mentioned, WAPPA contains stiff new penalties for those who would prey upon Canada's wildlife heritage and that of the world as well.

Undoubtedly members of this House have heard the term "polluter pay principle" applied with reference to environmental matters. In seeking to stamp out poaching and smuggling, the new act applies the "poacher pays principle".

By providing for both summary conviction offences and more serious indictable offences, the act enables the punishment to fit the crime. Under the act a prosecutor may elect to proceed either by way of indictable offence or summary conviction. For an indictable offence a more severe penalty is provided: up to $100,000 in fine and/or up to five years imprisonment. Less serious summary conviction offences are punishable up to $10,000 in fine and/or six months imprisonment.

Under this act an offence will be considered serious when it is detrimental to survival of a species; in other words when it involves an endangered species or large quantity of specimens of a threatened or other species. Offences where there is or has been serious harm or risk of harm to Canadian ecosystems will also be considered to be serious.

• (1140)

Like the Game Export Act which it replaces WAPPA includes a fines cumulation provision, that is a court can multiply any fine imposed by the number of specimens in a shipment. This provision eliminates the need for a prosecutor to lay a separate charge for each specimen in a shipment.

Furthermore, the new act includes a proceeds of crime provision. Such provisions are now commonly included in legislation controlling undertakings where large profits from illegal commercial activities are possible. The high value of a growing number of wild animal and plant specimens is encouraging people to poach and smuggle wildlife, and thus earn such illegal profits. The proceeds of crime provision will allow a court to impose an additional financial penalty where such profits have been made.

On the other hand, some minor offences such as contraventions of various regulations are more effectively and fairly dealt with if the accused is presented with options other than a court appearance. Therefore the

new act also contains provisions to enable enforcement officers to act efficiently in cases where the offence is relatively minor. It creates a class of ticketable offences to which an accused may plead guilty and pay the prescribed fine without having to appear in court.

When a suspect is found guilty of a ticketable offence, any specimens that have been seized in relation to the alleged offence will be forfeited. The collection of unpaid fines will be facilitated by allowing the government to proceed through the courts for their collection.

Penalties have a dual purpose. They may deter those who contemplate violating the law and they are imposed on those who do. The stiff penalties provided by the new act will doubtless deter some people who are considering illegal trade in endangered species, or the import of prohibited or harmful species. For those who are not deterred and those who contravene the act severe punishments can be handed out to serious violators, while still allowing the courts to deal with minor violations in an appropriate manner.

The way in which this act will be administered is also important. The Minister of the Environment will be responsible for administering WAPPA through Environment Canada's Canadian Wildlife Service. In terms of enforcement, since the new act will control the import, export and interprovincial transport of wild animal and plant specimens, Canada Customs and the RCMP that are also responsible for the enforcement of the Customs Act must continue to be involved as they have been in the past.

To make protection more effective, however, Canadian Wildlife Service enforcement co-ordinators and national park wardens of Environment Canada will also be officers under the new legislation. In addition, wildlife in Canada is also managed by the provinces and territories and by the federal Department of Fisheries and Oceans. Thus provincial and territorial conservation officers and fisheries officers will be designated for enforcement purposes once agreement with their agencies are completed. In addition, the implementation program will be co-ordinated with Agriculture Canada to improve protection for live wild animals and plants.

The co-operative effort of this expanded roster of enforcement agency will make possible enhanced inspections and information exchanges, stepped up investigations, and lead to the more vigorous enforcement of environmental regulations.

Officers designated under the act will have all the powers of a peace officer. These are described in the Criminal Code and include for example the power to obtain a warrant, to conduct a search, to make an arrest, and to lay a charge against an alleged violator. In the past conservation officers have often been severely limited in the performance of their duties because they lacked these powers. Now they will have full powers to protect Canada's wildlife.

Wild animal and plant conservation is the responsibility of all nations. In Canada the federal, provincial and territorial governments share these obligations. Wildlife issues are so broad, Canada is such a vast country and Canadians have such a deep and widespread interest in wildlife, that implementation of WAPPA calls for true partnership.

Genuine partnership is what this act will result in. Its implementation will be a multi-agency endeavour, involving five federal agencies and the provinces and territories. This co-operative, partnership approach is essential if we are to deter poaching and illegal trading in wild animals and plants effectively.

Finally I would like to stress that WAPPA is consistent with the requirements of the Constitution, particularly with section 35 of the Charter of Rights and Freedoms which recognizes and affirms the existing aboriginal and treaty rights of aboriginal people. The proposed legislation will not interfere with the traditional exchange by aboriginal peoples of artefacts and other items made from wild animals and plants.

The act does not pertain to the taking of wildlife nor prevent trade in legally hunted or trapped wildlife. Rather, its provisions apply to illegal international and interprovincial transport. The act is designed to contribute to the conservation of Canadian and foreign wildlife by preventing trade in poached wildlife.

Canadians cherish the wild animals and plants that are both their heritage and part of the legacy they wish to pass on to future generations. WAPPA responds to

growing concerns that wildlife in Canada and other parts of the world must be protected.

This new act will provide the necessary framework for ensuring this concern is addressed. When this act is in place, Canada will be able to meet its responsibilities for protecting and conserving wild animals and plants not only within Canada, but as part of the world community.

In closing I would like to quote once again from the World Wildlife Fund publication entitled "Wild Hunters–Predators in Peril".

> Canadians need to wake up to something that is part of a world-wide trend and happening largely unnoticed in this country: the insidious loss of our most spectacular wildlife species. In many cases elsewhere, the fate of species has been sealed despite the best efforts of conservationists because those efforts came too late. But Canada still has the opportunity to do it differently, by not repeating the mistakes made elsewhere.

Many groups in Canada feel exactly the same way you do, Mr. Speaker, because poaching has been a significant problem in your own province of Alberta. The Canadian Wildlife Federation supports the prompt adoption of the proposed WAPPA. "Canada scores points in wildlife protection" headlined an article in the January 1992 newsletter of the Canadian Nature Federation. It further stated "the long-awaited legislation is welcomed by Canadians interested in wildlife preservation and by their counterparts in the international community". The title of the November 24, 1991, Nature Trail column in *The Sunday Star* encouraged Canadians to "get behind Bill C-42 if you care about endangered species".

The legislation "will allow Canada to hold its head up in the international community". Even the CITES secretariat has congratulated the Government of Canada on its effort to greatly strengthen Canada's role in the implementation of the convention. It sincerely hopes the final legislation will pass and enter into force at the earliest possible opportunity.

I have taken more time than I normally would to introduce this particular piece of legislation to second reading. I do so in a very fervent belief that the legislation indeed is important. I hope it will receive the prompt attention of the House because Canadians throughout our land are waiting for its passage.

Mr. Cooper: Mr. Speaker, I rise on a point of order. I would just like to indicate to the House that should we complete second reading on this particular bill prior to one o'clock, rather than start with another bill, we will call it one o'clock.

Second, I would like to receive the consent of the House so we can continue third reading of Bill C-13 after we have completed the vote that was deferred earlier. That is what everybody has agreed to.

Mr. Caccia: Mr. Speaker, we on this side of the House would like to give the parliamentary secretary the assurance he is seeking.

Mr. Taylor: Mr. Speaker, on behalf of my colleagues in the New Democratic Party, I also find the proposal of the parliamentary secretary quite acceptable.

The Acting Speaker (Mr. Paproski): I believe there is unanimous consent. So ordered.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, I hope the parliamentary secretary, in his very articulate and wide-ranging intervention, will not get carried away by his own quotations in the assessment of this bill. We certainly welcome the introduction of this bill on this side of the House. After careful examination, we will co-operate for its speedy passage. We would like to bring the parliamentary secretary and the government back to earth as to what this particular bill will achieve. Instead of reading "an act respecting the protection of certain species of wild animals and plants", the bill should read "an act respecting the protection of certain species of wild animals and plants from trade". It is a trade oriented piece of legislation. Certainly it is needed, and brings us in line with the international community and with our commitments made under the CITES agreement of 1975. It will place Canada in a good light internationally.

• (1150)

It is a bill that will require witnesses to be heard at the committee stage. Game wardens and other officials with the Canadian Wildlife Service will probably make some pretty significant contributions to its implementation. I would also include the National Parks people in that. No doubt there is a very broad community that needs to be canvassed.

There is a potential sleeper in this issue and that is whether this bill will control the import of game species for game ranching. We have had an experience recently with imported elk with tuberculosis. The problems that have been created are well known. The government

needs to be alerted to this aspect of the bill for potential loopholes in its application.

The bill itself has very strong and desirable implementation features. It gives the minister certain powers to appoint officers who will have the role of justices of the peace to implement the legislation. We hope the government will make the necessary funds available. The offences described in the proposed bill are certainly commensurate with the damage that poachers and illegal importers and exporters are committing.

The point that needs to be made is the one I referred to at the beginning. While this bill is heavily oriented on the trade side in the control of imports and exports from Canada of flora and fauna that need protection, it has virtually no impact as proposed on the conservation and protection of endangered species domestically.

That aspect is not revealed in the title of the bill, and therefore has to be highlighted at this stage. It is still possible, when the bill is examined at the committee level, to introduce certain amendments that will permit the introduction of clauses that will allow Canadians in generations to come to enjoy certain species, both flora and fauna, that may be extinct unless something is done about it. That matter is extremely important domestically and transcends the preoccupation with trade which is emphasized in this particular bill.

I would like to bring to your attention a private member's bill introduced by the member for Davenport in May of last year on this subject. That act is entitled "an act respecting the protection and rehabilitation of endangered and threatened species". It is Bill C-209. It is waiting its turn to be debated. In that bill the member for Davenport, in a rather accurate manner, attempted to specify the purposes that need to be achieved in Canada to protect the endangered areas in both flora and fauna.

In Canada we need to identify, protect and rehabilitate flora and fauna threatened or endangered by human activity.

Second, we need to develop and implement programs to restore the populations of threatened and endangered species of flora and fauna to self-sustaining numbers. This is nothing particularly extravagant or unusual. It has been said by a number of conservationists and people in this particular area.

This is what is missing in Bill C-42 which is preoccupied with trade, and quite rightly so. We do not object to that. On the contrary, we support that preoccupation and interest in the protection of the public interest in those terms. At the same time it lacks the conservationist approach for the species that need particular attention.

Since 1964 there has been a Wilderness Act in the United States under which certain areas can be identified and protected. These areas are generally endangered spaces which provide habitat for endangered species. It is regrettable that the government until now did not find the time to table complementary legislation for action of this nature in Canada.

The parliamentary secretary referred to the Wildlife Strategy for Canada which is a very fine document. It has all the right and appropriate words. Unfortunately it lacks an action plan. It fails to spell out the required timetable. It does not identify areas which are prime candidates for protection. It is a good statement of principle without a plan for implementation.

I would like to bring to the attention of the parliamentary secretary as forcefully as I can that C-42 will not provide protection to endangered species which are not threatened by international trade. In other words, it leaves out a fairly important sector.

We welcome the initiative because it is desirable and necessary, but its scope is too narrow. It leaves out too many species, both in terms of flora and fauna.

Finally , I would like to draw your attention to a fact the parliamentary secretary already alluded to in his concluding remarks. Legislation of this kind will be much more effective and achieve its desired goal if it is matched, accompanied and complemented by a very intensive public information and education program.

We really need to sensitize the public and our young people in particular. They are very receptive to flora, fauna and wildlife and particularly to the endangered side of it. We have to perform a very important role which only governments can perform on behalf of the public. We need an intensive campaign which will accelerate and perhaps make the success of Bill C-42 more readily possible.

• (1200)

Having said that, I really would like to congratulate the parliamentary secretary for having introduced this bill at this time.

I urge him to convince the minister that we now need a companion bill which will deal with the protection of endangered species which are not threatened by international trade.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to speak on Bill C–42, which as the parliamentary secretary and my friend from Davenport have already said, is a piece of legislation that is long overdue.

It is urgently required and certainly in terms of the essential principles, although I agree it is very narrow in scope, it is a piece of legislation worthy of support and quick passage. We should get it on to the legislative committee and back into the House.

I must point out at the beginning of my remarks that I regret this is not a piece of legislation that comes at the issue with an ecosystem approach. It is clearly crisis management legislation, and it is something that is becoming increasingly common in this Chamber and in chambers around the world, rather than moving forward with the ecosystem approach. This approach was well discussed and widely discussed in the development of the Brundtland commission report "Our Common Future".

We have to start with the title which regrettably is both inappropriate and misleading. It raises the hope among many Canadians that it deals specifically with the protection of endangered Canadian species and their habitat. In fact, it does no such thing.

The scope of the bill needs to be either massively increased so that it deals seriously with endangered species and endangered spaces in Canada, or there should be a parallel bill.

The title should read "an act respecting trade and transport of certain species of wild animals and plants", or it should read "an act respecting trade and traffic of certain species of wild animals and plants". As read at the moment, if someone were simply to read about it in the paper or a magazine article, one would think from the title which says: "an act respecting the protection of certain species of wild animals and plants" that it is quite a wide bill.

In fact, it might be something like the 1973 legislation from the United States which has protected species as widely diverse as the snail darter or the spotted owl. Regrettably, this legislation is nowhere near that. I regret that it is being sold to a certain extent as that kind of broad-based protective legislation.

It does do three things. It protects some of Canada's wild animal and plant species from illegal trade. It protects some Canadian ecosystems from the introduction of designated, harmful species and it helps to protect wild animal and plant species in foreign countries from poaching and smuggling.

Therefore, it is sort of CITES plus some other species. When I say plus, it means that they are protected or are in need of protection in certain other countries. We are going to be able to assist some other countries that are faced with chronic poaching, smuggling and illicit trading in both plants and animals.

Oddly enough, our own endangered species have never been added to CITES. One really has to wonder after all of these years just how serious governments of Canada have been in protecting either endangered species or endangered spaces.

Right now CITES lists some 1,000 plants and animals in Appendix I, which is the strongest of the appendices. There are 48,000 species and subspecies listed in total. That, of course, is only a small fraction of the endangered species in the world now. It is estimated at 1,900 and as at the middle of this century we were only losing one major species per year.

That accelerated during the last decade to about about one per hour. Now people like Edward Osborne Wilson and other experts in the field of biodiversity think we may be losing as many as 10 an hour. A lot of that related to the dropping of the canopies of the tropical rain forests at the rate of about an acre a second.

Of course, we are not immune from that kind of loss of space either. We are losing an acre of forest every five seconds. So even as I speak here, many acres of Canadian forests, including Canadian rain forests, will disappear forever.

Of the 48,000 species and subspecies listed in CITES, some are very large chunks such as 15,000 species of orchids that are listed because of the phenomenal value in illegal and illicit trade in some plant species.

At the moment the Game Export Act, which is our present piece of legislation for dealing with some of these issues, can only deal with dead animals and fur.

One does not have to be a rocket scientist to figure out that it is not going to get us very far today in terms of the kinds of traffic and trade there is, such as from my home province and from yours, Mr. Speaker, in a point touched on by the member for Brandon—Souris, which is of black bear gall bladders, paws and other parts that are traded for vast sums of money, particularly to the Orient.

Big smuggling and trade is left wide open. This legislation, as I said, should go quickly to the legislative committee where witnesses expert in this field, World Wildlife, Canadian Nature Federation and others well aware of the international and national ramifications of such a bill can be heard.

In 1975, external affairs made regulations under the Export and Import Permits Act to allow us basic compliance with CITES, which is the internationally recognized legislation on international trade and endangered species. However, since then most of the other 112 signatory nations have introduced much better compliance and enforcement provisions than those held by Canada.

Canada has promised since 1987 to develop new legislation. Consultation with the provinces has gone on since 1982. For a full decade there have been discussions with the provinces and territories regarding the need for this kind of legislation.

The green plan wildlife component in 1990 called for the introduction during 1991 of "new legislation to attack poaching and illegal trading" of wild animals and plants and to "strengthen wildlife law enforcement" and special measures for the enforcement of federal wildlife legislation.

Bill C-42 was finally introduced November 7, 1991, a delay of four and one-half years since the government had first indicated that this legislation was coming forward.

It cannot be described as a piece of legislation that has an enormous amount of cabinet or government-wide support, although there is enormous support for it across Canada among those who are aware of the reckless endangerment of species around the world due to trafficking.

There are some very serious problems with the bill that will have to be remedied in the legislative committee.

First, the title must be changed. It is clearly misleading and it would be inappropriate for a piece of legislation to pass with such a misleading title attached to it. As I have said, it should be changed to "an act respecting either the trade and transport or the trade and traffic of certain species of wild animals and plants".

In the definition section of the act the word "animal" is found. It must be expanded in definition to include those Canadian species presently covered by the Game Export Act. This may have been something that was simply forgotten as it was being drafted. Similarly, the word "plant" which is found in the definition section must be expanded to cover Canadian plants.

The bill contains powers to promulgate regulations. These, to as great a degree as possible, should be included now and provided at the legislative committee process.

We debated earlier today how inappropriate it is that Bill C-13 is rocketing through the House without having the 15 sections of regulations at least available for members to view. In a piece of legislation such as this, surely since there have been 10 years of consultations with the provinces and the territories and four and one-half years of drafting, one assumes that this government ought to be able to bring the regulations forward so that we can at least have a look at them in the legislative committee.

By the fall of 1990, there were 195 endangered species in Canada and that was a list prepared by COSEWIC, which is the Committee on the Status of Endangered Wildlife in Canada. We need an immediate parallel bill to be introduced to protect endangered plants and animals and spaces obviously. Or preferably, this bill

should be amended in definition and throughout to give life to Canada's federal constitutional authority for wildlife conservation.

• (1210)

That is a power interestingly enough which the present government was prepared to transfer away to the provinces in the recent federal constitutional package. The Standing Committee on Environment made it very clear that this would be an extremely, if not extraordinarily unwise position for the government to take, it being an existing federal power and authority.

We all know that fish swim between provinces and territories, migratory birds fly across provincial and territorial boundaries and there is a very clear and mandatory role for the federal government to pursue. There are the three heads of power, one of which should clearly be listed in the provisions of this bill. That is peace, order and good government. It is a constitutional footing that should be more regularly utilized to avoid court challenges. Similarly, the criminal law and trade and commerce should be utilized somewhat more strongly. I will come to that in a moment in terms of this legislation.

This opportunity should be utilized to enact the biological diversity bill taking a proactive approach to maintaining diversity as well as an endangered species act. It should be clearly enunciated where limited populations and/or limited habitat are threatened by any activity that steps will be taken to protect the ecosystem.

As the member for Davenport suggested yesterday in our debate on Bill C-13, if sustainable development is really believed in by the government as it is by the majority of Canadians, that kind of wording which was proposed on sustainable development should similarly be used within Bill C-42.

Canada has lost a number of species already to various causes and many more are now threatened. Many Canadians have been misled by the title of this bill and have falsely assumed that like the U.S. legislation that protected the snail darter or the spotted owl, this applies and it does not.

The U.S. law called the Endangered Species Act, the ESA, was passed 20 years ago by Congress in 1973. It is hard to find a school child anywhere in the United States who does not know about the ESA. It has been a useful piece of legislation, although its funding has been blocked by such notoriously anti-environmental presidents as Bush and Reagan. Again, it is a narrow piece of legislation because it is almost entirely crisis management as opposed to dealing with ecosystems.

We should protect ecosystems and not just the species. That is why the campaigns that are being launched by many groups are based on the concept of endangered spaces. Otherwise, we get species ghettos or unfenced zoos where small numbers of endangered species manage to eke out a marginal existence.

Biodiversity is clearly preferable because the endangerment of species must be anticipated and prevented. One of the few things that legislatures can actually do is to be proactive rather than reactionary which regrettably is not very successful.

Clause 13 requires a consequential amendment. I am surprised that it is not there already. That clause provides for search and seizure without warrant. I must say it is one of the few pieces of legislation that truly could require such a power.

I can think of a number of situations where enforcement officers involved in dealing with traffickers in endangered plants or animals could find themselves in a situation where they would have to utilize the power. But it is a power that has been found to be very open to abuse.

The only other place you find it in Canadian law is under the old 1978 firearms legislation, the famous old Bill C-51.

I know personally of cases where that search and seizure provision without warrant has been abused by enforcement officers.

One of the surer ways of clearing the mind of those who might want to abuse this power is to require a mandatory report to Parliament on an annual basis, giving all of the specifics of the case where a search and seizure without warrant was utilized. I know there will be a reporting procedure to the courts but that has proven in the past to be very inadequate. It depends on the judge, it depends on all kinds of things as to whether or not any kind of proper follow-up is made. I believe there must be a subsection 13(a) added or perhaps an entire new clause to require specific reporting on search and seizure without warrant.

Under the offence and punishment section I find it awesome that the fines proposed are so out of whack with what other departments and other countries have been doing.

Let me give some examples. Under the summary section, punishment is presently set at $10,000 and up to six months in jail, whereas in the United States precisely the same kind of offence carries for an individual a $100,000 fine, up to 12 months in jail, and if it is a corporate entity involved in illicit activities involving plants or animals, it is $200,000.

Indictably we find the same kind of discrepancy: $100,000 and five years under the proposed legislation. In the United States it is $250,000 for an individual or $500,000 for a corporation and five years in jail.

The department, the minister or the government might argue that the cumulative approach is there. If somebody has a whole bunch of animal parts or animals, a bunch of black footed ferrets or other species, then the fine would apply seriatim to each of those. But the fact of the matter is that in the majority of cases one looks into, that is not an effective way to go about it because the courts rarely utilize that kind of consequential fine.

Even in our own National Parks Act which this House recently amended, the fine for poaching threatened species is $150,000 under the summary section and $150,000 and six months in jail indictably. It is very clear. Even if one looks at the Fisheries Act, it is now $100,000 summary or $500,000 and two years in the slammer indictably. Even in Alberta where poaching has become a very serious problem it is set at $100,000.

Bill C-42 must be amended in this clause. The clause on individuals should be set to $100,000, indictably to $250,000 or higher, and a new corporate clause must be included because trafficking in plants and animals is clearly on the rise. It is becoming a much more serious problem and it is quite often dealt with by corporate entities because to traffic efficiently and effectively in extremely highly valued plants or animals requires that kind of corporate structure. I believe that should be introduced and set at least at $200,000 so that we do not become what might be described as a point of entry.

The parliamentary secretary himself said that Canada could be used as a point of transit for trafficking. Of course that is what we are becoming right now because we have almost no legislation in this field. It is basically vacant other than the 1975 action by External Affairs and the Game Export Act.

The issue in terms of fines is very important. International traffickers look at North America as a large market for endangered plants and animals because people like for whatever reasons the exotic. It is very important that we not have the United States, the great republic to the south of us, with fines set at $100,000 and $200,000 for almost any of the offences and Canada at $10,000.

If you are a smuggler, Mr. Speaker—and I am not suggesting you are—which country would you want to come into? Would it be a country with a $10,000 fine or a country with a $200,000 fine? I would suggest that as a good smuggler you would choose Canada as a point of entry for your smuggling purposes. I do not think we should allow that. When one looks at the rate of species lost, as I said the time clock is accelerating exponentially. We used to lose a species a year. Then it went to a species an hour. Now it is at least 10 an hour.

We need some crisis management legislation, but let us at least make it effective. We can expand this bill so that it covers the waterfront and in fact deals effectively with what Canadians also want, which is protection for endangered species in our own country.

Finally, on the corporate section that should be included, it should be set at least at $200,000 with six months in jail and $500,000 with five years in jail when proceeded with indictably, simply to bring it into the context of other existing Canadian legislation and legislation in the United States. This problem is just like the drug trade. There are enormous profits to be reaped from going and getting snakes, bugs, monkeys, parrots or orchids from all around the planet. One of the major market zones is in our own country and another is in the United States.

• (1220)

If we are to have legislation that works, let us do it quickly and let us do it at the legislative committee. We are going to need more dough too. I note that there is $12.3 million under the green plan, but that only provides 29 new person-years over the next six years. I do not think 29 men and women being added over the next

six years will be able to do the job. We are going to have to do something more in that area too.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, I have just a few words concerning this legislation and I give them after listening to the hon. member for Davenport.

The bill before the House is entitled an act respecting the protection of certain species of wild animals and plants. Then it says the act of Parliament which will come from this legislation will be called the Wild Animal and Plant Protection Act.

That is fine. If we could take the name of the legislation at its word it is an excellent piece of legislation, but we cannot. This does not cover what people would think it would cover if they read the title of the legislation, as the member for Davenport pointed out.

What does it cover? It covers all animals and plants listed under fauna in the appendix to the Convention on International Trade in Endangered Species of Wild Fauna and Flora signed on March 3, 1973 in Washington, D.C.

The legislation limits the protection of endangered species. It gives the government the power to enforce a law only on an endangered species listed in the appendix to the convention. In other words, it would enable an enforcement officer to go into somebody's house without a warrant, as is listed under section 487 of the Criminal Code, only if the enforcement officer believes that in that dwelling or in that truck or car there is a portion of an endangered species and only if it is listed in the appendix to the convention.

In other words, there are three species of seals listed in appendix III of the convention. But the Pine Martin is not listed. That is an endangered species in the province of Newfoundland. If portions of those three particular seals listed in appendix III to the convention are to be found on somebody's property then the enforcement officer has the power under the act, but if an endangered species in Canada is in somebody's possession it does not give the enforcement officer the same authority.

The legislation, as the member for Davenport has pointed out, is an opportunity for the Government of Canada to spread the net even further. It gives it the opportunity to be able to cover the endangered species. The animals are listed under fauna in the convention. It gives the government the opportunity to do what the Canadian Wildlife Service has wanted it to do for years. This is the vehicle. If the government saw fit, all it would have to do is go to Bill C–209 which is before this Chamber in the name of the hon. member for Davenport and incorporate it into this legislation. Then it would have a complete piece of legislation, not just a partial piece of legislation that to the objective viewer would seem rather limited and restricted in its character and certainly not as serving the wishes the Canadian Wildlife Service as I see them and as we should be serving those wishes.

Mr. Dennis Mills (Broadview—Greenwood): I will be brief, Mr. Speaker. I too want to voice my support for this bill and the work that the member for Davenport has done on it.

I want to refer in my remarks specifically to a scientific American journal of September 1989 entitled "Managing the Planet Earth". In this particular journal there is an article on threats to bio–diversity. As I was reading this a few months ago I noticed a paragraph which I think is extremely relevant to the bill we are discussing today. I would like to read directly from it:

> Wild plant and animal species also represent vast reservoirs of such potentially valuable products as fibres and petroleum substitutes. One example is the "babassu palm".

Then it goes on to explain that and says:

> Another striking example is the rosy periwinkle.

People sometimes wonder why we are so adamant in trying to preserve these wild plants. It continues:

> —rosy periwinkle is otherwise known as *Catharanthus roseus*, an inconspicuous little plant that originated in Madagascar. It yields two alkaloids, vinblastine and vincristine, that are extremely effective against Hodgkin's disease and acute lymphocytic leukemia. The income from these two substances alone exceeds $100 million a year.

On it goes. There is also a Thomas Eisner at Cornell University who has suggested, in addition to the compilation of biological inventories, that:

> —programs should be established to promote chemical prospecting around the world as part of the search for new products. The U.S. National Cancer Institute has begun to do just that: their natural products branch is currently screening some 10,000 substances a year for activity against cancer cells and the AIDS virus.

Sometimes when we talk about such bills in this House of Commons people out there are wondering what we are doing here spending all this time talking about preserving wildlife and wild plants, et cetera. The fact of the matter is that we are talking about something that as we preserve it we are also preserving human life. As we take this bill to committee, I think some time in our communication we should link it to how it affects the day-to-day health of our life.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): 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 Legislative Committee C.

The Acting Speaker (Mr. Paproski): It being one o'clock, I do now leave the chair until two o'clock this day.

The House took recess at 12.30 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NORM GARDNER

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Madam Speaker, last Friday evening a masked man entered the Steeles Bakery in North York demanding money.

Angry because of the lack of cash in the till, the man grabbed the 70-year old female clerk. Metro councillor Norm Gardner was working in the back room of his family bakery when he heard the screaming.

Mr. Gardner, vice-chairman of the Metro Toronto Police Services Board, was granted a special protection-of-life permit to carry a handgun by the OPP five years ago. This was after his life was threatened.

Mr. Gardner drew his gun and ran into the store where he saw the 70-year old woman staggering and grabbing her chest. The masked robber thrust the cash drawer toward Mr. Gardner and started to run toward him shouting: "Go ahead and shoot me".

Mr. Gardner wisely fired a single shot into the man's leg to protect his staff and himself. The alleged robber fled and was arrested shortly thereafter.

I have known Norm Gardner who is a constituent of mine for over 15 years. He is an outstanding Canadian. He acted in a very responsible manner last Friday.

* * *

VIETNAMESE REFUGEES

Mr. John Harvard (Winnipeg—St. James): Madam Speaker, the world is well aware of the plight of the Vietnamese refugees in Hong Kong.

They are trapped in a refugee camp where the living conditions are horrible. They are trapped there by an agreement called the comprehensive plan of action. It is signed by many countries, including Canada. It says that the Vietnamese must return to Vietnam. For many of the families that is unthinkable and worse than death itself.

One of those families belongs to Luong Nguyen whose brother, Dai Duc, lives in my riding.

Luong Nguyen's family arrived in Hong Kong before the comprehensive plan of action was agreed upon. Their Winnipeg-based sponsorship was approved before the plan of action was signed.

As immigration lawyer David Matas put it: "It is gratuitous cruelty on such people to subject them to the plan after they arrived in Hong Kong". Moreover Matas adds, "These people have been duped by Canadian law into thinking they could have been sponsored" and that "the sponsors have equally been misled into believing a sponsorship was possible".

My plea to the government is simple. Help these people.

S. O. 31

CANADIAN VOLUNTEER SERVICE MEDAL

Mr. Ken James (Sarnia—Lambton): Madam Speaker, yesterday the hon. member for Sudbury complained about the awarding of the Canadian Volunteer Service Medal for Korea.

She complained that Korea veterans in Sudbury had received the medals but there had been no ceremony to mark the occasion. My question is: Why did she not organize a ceremony herself?

We all know that this was the advice all MPs received from the Minister of Veterans Affairs. He urged us in a letter to work with veterans associations and set up presentation ceremonies.

This has been done in a number of locations. There was, for instance, a wonderful ceremony in St. Catharines after five MPs, including a Liberal, worked together to put on a marvellous event.

I have a suggestion for the hon. member for Sudbury. If she is in Ottawa on Saturday, she could show up at Room 200, West Block at 2 p.m. The Minister of Veterans Affairs will be there presenting medals to about 100 members of the Korea Veterans Association. Furthermore, the minister has indicated that he is willing to attend presentation ceremonies anywhere and anytime, if his schedule permits.

* * *

SOUTH AFRICA

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, the eyes of the world are on South Africa today as, despite some fear and concern, a new course will be charted for all by those who are able to vote in the referendum on the political future of that country.

President F.W. De Klerk deserves much of the credit for bringing the people of South Africa to this point. His call for a referendum is courageous and shows his faith that the people of South Africa are ready to make a commitment to democracy and to equal rights for all regardless of race, creed or colour. That is something we take for granted here in Canada.

With voter turn-out high at this hour, the world can only watch, wait and hope that voters in South Africa will not look longingly back to a time when oppression was acceptable, but like the people of the Baltics, Ukraine, Poland and many other nations have done recently, will step bravely forward to take their full place in the family of democratic nations.

* * *

VIOLENCE AGAINST WOMEN

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, later today women in Prince George will gather at the B.C. Supreme Court to protest the lack of protection for women by the court system.

A Prince George man who sexually assaulted his former common law wife was sentenced in B.C. Supreme Court to 18 months probation. It was the third time he had been convicted of assaulting her.

Last week, a man who attacked a woman with a metal pipe inflicting cuts and bruises to her head and shoulders and causing her to have part of a finger amputated, pleaded guilty to assault and was sentenced to 90 days in jail to be served on weekends.

I rise today to call on the Minister of Justice to support the call by my colleague for New Westminster—Burnaby for mandatory gender sensitivity training for judges at all levels so they can be aware of these problems.

Violence against women must end now.

* * *

[*Translation*]

DESJARDINS MOVEMENT

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I would like to pay tribute to the Desjardins movement, which is going into venture capital this year in order to stimulate regional development and job creation. Desjardins Investment will set up regional development corporations in Quebec's 10 regions, in cooperation with the Quebec Pension Fund, the Quebec Solidarity Fund, the QFL Solidarity Fund and other partners. This is excellent news for Quebec's regions. President Claude Béland declared that Quebec does not lack venture capital but good investment projects.

On behalf of Abitibi-Témiscamingue, I want to thank the Desjardins movement.

[*English*]

ST. PATRICK'S DAY

Mr. John Nunziata (York South—Weston): Madam Speaker, today is St. Patrick's Day. It is the anniversary of the death of St. Patrick and it is a day on which the Irish, and those who wish they were, celebrate being Irish.

Although historians are uncertain about precisely where St. Patrick was born, one thing is certain, St. Patrick was an Italian. I know that some members will say: "There he goes again. He has kissed some kind of Italian version of the Blarney Stone".

I have checked the facts and history records that St. Patrick was the son of Calpurnius, a Roman official in Britain. He was born about 389 A.D. and died around 461 A.D. History tells us that he was carried off by raiders at the age of 16 to pagan Ireland. It was there that he met his life-long friend, Shamus O'Nunziata, who travelled with St. Patrick to Rome in the year 432 when St. Patrick became a bishop.

Of course, the rest is history. O'Nunziata stayed in Rome, dropped the O from his name and St. Patrick returned to Ireland. Have you ever wondered why the Italian and Irish flags are virtually identical? Or why you see a shamrock on all Alfa Romeo cars? The moral of the story is that on St. Patrick's Day there is a little Irish in all of us.

* * *

CANADIAN MERCHANT MARINE

Mr. Peter L. McCreath (South Shore): Madam Speaker, I again rise to bring to the attention of the House the need to fully recognize for full veterans benefits the members of the Canadian Merchant Marine who served on the high seas during World War II.

My late uncle, Captain Ernest Shatford was one such man. From 1939 to 1945 he traversed the Atlantic Ocean many times, from Nova Scotia to Europe, from Newfoundland to the Caribbean. For six years, his life was on the line for Canada and for Canadians. Yet he died two years ago this week ineligible for long-term care in a veterans hospital.

Canada's merchant marine veterans should be eligible for all veterans benefits including full benefits under the Veterans Independence Program.

There should be a book of remembrance with the names of Canada's merchant mariners who gave their lives in the cause of Canada.

The Minister of Veterans Affairs should use his good office on behalf of the government of Canada to encourage the construction of a suitable memorial to honour the memory of Canada's merchant seamen.

These suggestions should not only be accepted by the government but accepted and implemented as soon as possible.

* * *

[*Translation*]

TRIBUTE TO THE LATE ROGER LEMELIN

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, Roger Lemelin is no more. Perhaps better than anyone else, he depicted our social history. It was therefore very natural for the people to recognize themselves in his books and television series.

• (1410)

A man of letters, he won all the awards and was the first writer from outside France to sit on the jury for the Goncourt Prize.

A man of action, he skilfully directed America's largest French-language daily for 10 years.

Roger Lemelin was also a great patriot. In his last editorial in *La Presse*, published in 1981, the author of the Plouffe family series wrote that in taking his positions, he always wanted a stronger, more united Canada where a French Quebec, with its wonderful distinctness, could enjoy the riches of the vast territory of Canada while strengthening its cultural identity as a young nation.

He told members of the Canadian Press in Toronto on May 2, 1979 that never did he think that he would stop being French and that he had fought for French culture all his life. "I am glad to be a French Canadian," he said.

On behalf of my party and myself and, I am sure, all members of this House, I would like to express to his widow and his whole family our admiration and our deeply felt condolences.

S. O. 31

[*English*]

GASOLINE ADDITIVES

Mr. Garth Turner (Halton—Peel): Madam Speaker, today UCO Petroleum has announced its intention to open 19 retail outlets in Ontario for the sale of gasohol, an environmentally friendly alternative to gasoline.

Gasohol is made by blending 10 per cent ethanol with 90 per cent gasoline. It actually produces more octane to car engines while producing less of the emissions that cause things like acid rain and the greenhouse effect.

I rise to congratulate UCO Petroleum and also the Minister of Finance. Today's announcement comes as a direct result of the federal government's budget announcement to remove the federal excise tax on ethanol and methanol in blended fuels.

This is environmental, economic and agricultural leadership on the part of UCO Petroleum and the government. I am sure all members of the House will add their encouragement and support of gasohol, Canada's future fuel.

* * *

BANK OF COMMERCE

Mr. Ray Skelly (North Island—Powell River): Madam Speaker, 22 women in Powell River, British Columbia, are on strike against the Bank of Commerce. The Bank of Commerce runs its Powell River branch with strike-breakers brought from Vancouver Island every day.

This situation is grossly unfair. The bank does not have to bargain in good faith with these women. As a matter of fact, the bank would rather crush these women in their strike as an example to their other employees.

As a result, organized labour in the province of British Columbia is planning to carry out a province-wide boycott against the Bank of Commerce in order to carry the message of these women and the plight of these women to the entire province.

This is completely unnecessary. If the Minister of Labour would use his good offices to try and get both parties back to the bargaining table to find a solution to this, rather than the continued harassment and exploitation of these women by an organization that has assets of tens of billions of dollars and annual profits of—

Madam Deputy Speaker: The hon. member for Calgary Southwest.

* * *

JUDICIAL APPOINTMENTS

Mrs. Barbara Sparrow (Calgary Southwest): Madam Speaker, last week three historical federal judicial appointments were announced, all of them women. The number of women in the federally appointed judiciary has increased steadily from 37 in 1984 to 100 in 1992.

On March 12 Canada named Madam Justice Catherine Anne Fraser as Chief Justice of Alberta and Chief Justice of the Court of Appeal for the Northwest Territories, a first for a woman.

Madam Justice Karen M. Weiler and Madam Justice Rosalie S. Abella both were appointed to the Ontario Court of Appeal. Madam Justice Abella is the 100th woman currently serving on the bench here in Canada. I offer my congratulations to all three.

Since this government has come into office, there has been an increase of 100 per cent in the appointment of women to agencies, to boards, to commissions, all in decision-making positions.

* * *

COMMUNITY NEWSPAPERS

Mr. Rod Murphy (Churchill): I would like to rise in defence of the community newspapers in this country.

As a result of the budget the government announced that it would be contributing some money toward making sure that newspapers did not have to pay the full postal increase in one year. Instead, the government announced that that increase would be over a two-year period. Many newspapers have drastically increased the rate they are charging people who have these newspapers mailed to them. Many newspapers are still threatened with extinction as a result of the government's policy.

Again I call upon the government to review the increases that are going to community newspapers to make sure they can afford to exist in the future and to make sure they can afford to get their information out to all Canadians.

[*Translation*]

FÉDÉRATION DES COMMUNAUTÉS FRANCOPHONES ET ACADIENNE DU CANADA

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, the Fédération des communautés francophones et acadienne du Canada announced yesterday that it was tired of taking a back seat to everybody else in the debate on the Constitution and language issues. According to federation representatives, although they represented one million people across Canada, they were treated as though they did not exist.

Critical of the performance of the Department of the Secretary of State and the Department of Employment and Immigration, and representing minority groups in their respective provinces, the federation now demands a meeting with the Prime Minister, who never bothered to meet them since he was elected in 1984. Its very survival is threatened by budget cuts. Humiliated by this denial of its status as a full-fledged participant in the constitutional debate, the federation has the impression that linguistic duality is not a major item on the present government's agenda.

I ask the Prime Minister to remember his responsibilities and to have a meeting as soon as possible with the representatives of official-language minority groups. Time is running out.

ORAL QUESTION PERIOD

[*English*]

CHILD POVERTY

Ms. Sheila Copps (Hamilton East): Madam Speaker, the French and the Irish have a lot in common by association, so I know the Speaker will indulge me if I wish top o' the morning to the Prime Minister, who is an Irishman by birth as I am also, and Mr. O'Nunziata, O'Clancy and others who are Irish by birth or the best of the Irish by choice.

I actually have a question for the Prime Minister. It deals with the tragedy of the 700,000 Canadian children who are getting their food at food banks every year.

Through their seven and a half years in government, the Prime Minister and his colleagues have pursued economic and social policies which have resulted in the tragic scene of two million Canadians lining up at food banks every year. Nobody, including nobody in the Conservative Party, wants to have this tragic situation.

The problem we have is in trying to understand why the Prime Minister persists in following the same economic and social policies which created this sad situation.

Can the Prime Minister explain why he continues on a course of action which has led to this national disgrace of Canadian children lining up at food banks?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I explained yesterday that no one in this House is happy with the kind of situation we are facing today.

However, I believe we must deal with this situation as good managers, and in fact, the government as a whole allocates about $15 billion annually to be used, directly or indirectly, to help children.

It is also true that in the budget, we specifically targeted this group when we decided to add $2 billion, spread over a five-year period, to provide people on low incomes with some relief and help them improve their situation eventually.

I also said that very shortly I would announce a series of measures to provide help as well for a particular group of young people, reffered to as children at risk.

These measures—and here I agree with the hon. member—will not deal with all problems overnight, but this government is intent on dealing with these concerns according to its ability to pay.

Ms. Sheila Copps (Hamilton East): Unfortunately, Madam Speaker, this is the same minister who just a few weeks ago cut all national day care programs, leaving children and their parents without any hope.

The number of food banks has increased from 1 to 292 during the past decade. This is not a statistic, but the sad truth. Today in Canada, we have children who depend on food banks for their meals. Even in a period of economic growth, there is a wide gap between rich and poor in this country.

When will the Prime Minister change his economic and social policies which have been a tragedy for Canadian children?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I am sorely tempted to compare the present situation with the recession in 1982. However, I can inform the hon. member for Hamilton East that the Prime Minister, the cabinet and the government had the courage to make certain choices and define certain policies. If 10 years ago, her government had had the courage to make political choices that would have allowed Canadians to make certain decisions today, we would not have had this $400 billion debt we inherited from her government, which prevents us from financing all the programs we feel are necessary. Managing for tomorrow's generation means managing now.

• (1420)

[*English*]

Ms. Sheila Copps (Hamilton East): Madam Speaker, I read in the paper yesterday that the Prime Minister spends almost $1 million a year on press clippings.

I would like to ask the Prime Minister, who has been in office seven and a half years during periods of strong economic growth world wide, why he is hiding behind the issue of the recession when in fact the unbelievable increase in the number of children eating at food banks did not just occur during the recession, it occurred during the life of this government.

Does the Prime Minister understand that his policies have created an underclass of Canadians which is growing in bad times and in good?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, I tell my hon. friend what I am sure she knows, that her prefatory remarks are false in regard to expenditures on my behalf.

My hon. friend says: "I read it in the paper". That does not mean it is true. It is a false statement.

With regard to the serious question my hon. friend raises, when we were sworn into office in 1984–85 the total federal government spending record on programs for children was $6.7 billion. That has now increased to $9.5 billion, an annual increase of 5.2 per cent even though the cost of all program increases was 3.9 per cent.

The government has consistently spent more, either than the average of inflation or the average increase of all programs, on children and on children's programs than on anything else, with the possible exception of the amount we have expended on natives which have increased even more substantially than the numbers I have given my hon. friend.

The Minister of National Health and Welfare has just indicated, I think properly, that we had to make some fundamental decisions in respect of lessening the burden on our children today. That means making sure we hand over to them an economy that is not burdened down even further by a mountain of debt so that they are able to make their own priorities and build their own lives.

Meanwhile the government will continue to expend greater and greater amounts of money to help children and families in need because that of course is a fundamental obligation of this House and of all governments.

Mr. David Walker (Winnipeg North Centre): Madam Speaker, my question is for the Prime Minister.

Hidden away in yesterday's report on food banks is the startling fact that 450,000 Canadians are living together in total poverty in traditional two parent families. These same families are excluded from any new cash under the child benefit package. Thousands of these families run out of money each month and their children are forced to line up at food banks.

Why is it that these children want to save Canada when Canada refuses to save them?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I explained that to the same member yesterday. We are doing as much as we can in whatever capacity we have to do something. We have already put $15 billion into various programs.

I know that when we talk about resources it does not interest the Liberal Party, it never did. That is why today we have to put 35 per cent of our revenue on the debt payment. It is a reality.

We have addressed a package in the budget to those low income workers who do not benefit from the package of benefits given to those who are social recipients. The member knows that very well.

This program covers things like transportation, school and many other costs that are paid to social beneficiaries and not to those we are targeting.

That is the answer and he knows that very well.

I just want him to tell Canadians, as I do, that we are doing the best we can. We will continue to do that, but with the help of all Canadians maybe some day the food banks will all disappear.

Mr. David Walker (Winnipeg North Centre): Madam Speaker, my supplementary question is for the Prime Minister.

The minister has happily defended the fact that the government is trying its best. In the meantime, hundreds of thousands of Canadians are affected each month by their inability to feed themselves. Since this government took office the number of food banks has risen from 1 to 292.

Does this government not realize that people prefer to work than to stand in line for their daily bread and butter? What are the civic measures this government is willing to present to Canadians to combat the lack of food for so many hundreds of thousands of families across this country?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, in the package that we will be presenting soon, we will try to deal more specifically with the children at risk in many different ways.

What we are calling for today, and I am sure the member will agree with it, is that all volunteers in this country, organizations and NGOs, the provinces, the municipalities, the federal level, put all their energies and resources together to help the most Canadians we can to avoid the cruel reality the hon. member is talking about. He knows very well that we must have all levels of government involved. However, it is not possible to do something if we do not improve the economy of this country in a way that it will provide the resources that we can give to Canadians.

This is the simple position that I have. Once again I am ready to work with all Canadians to do that.

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, I want to ask the Minister for International Trade or his substitute a question surrounding the government's secrecy and fear over the negotiations on the North American free trade agreement.

The Mexican Senate has had a lengthy briefing on the draft bracketed agreement. The U.S. Congress has had a briefing and the documents are available to them. Yet this government is suggesting that before we get a briefing, we have to sign a statement of confidentiality that would have even frozen Igor Gouzenko from opening his mouth.

I want to know why is it that this government demands confidentiality and rules on us that are far more strict than those applied to Mexico or the United States. What is it hiding?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, my hon. friend is asking for a briefing on the negotiations.

He has not had the briefing but he is already opposed to it. Maybe if we give him another briefing he will be in favour. The fact of the matter is that this has been widely publicized, as my hon. friend knows. The Secretary of State for External Affairs says there is a formal briefing on Thursday.

My hon. friend spends a lot of his time on the phone to the Mexicans and the Americans. He has lots of friends down there.

Mr. Angus: At least he gets through.

Mr. Brewin: They answer his calls.

Mr. Mulroney: The three parties have matters of substance they wish to resolve. If those questions are resolved, presumably there will be an agreement in principle that my hon. friend will perhaps upon reflection want to vigorously support.

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, at least I get through on the phone.

I phoned the Mexican Senate. They were thoroughly briefed. They even sent me a report on the document. The U.S. Congress has had a briefing. They are discuss-

ing it. All we get is bafflegab, delay and secrecy from this government. As a matter of fact, the Mexican press got a briefing on the draft bracketed agreement.

I want to ask this question as one Irishman to another. Why is it that we get the blarney stone and they get the facts?

Right Hon. Brian Mulroney (Prime Minister): Well, the Mexicans had the choice of the Blarney stone or Barrett and they took the stone.

• (1430)

My hon. friend says that he called the Mexican Senate and they took his call. Hell, they would do that here.

I should tell my hon. friend that the President of Mexico called me at just about two o'clock.

Some hon. members: Hear, hear.

Some hon. members: What did he say?

Mr. Mulroney: They are yelling "what did he say". He said, among other things, happy St. Patrick's Day and give my love to Barrett.

* * *

INTEREST RATES

Hon. Herb Gray (Windsor West): Madam Speaker, my question is for the Minister of Finance.

Today all five of Canada's major chartered banks made it official. Because of a series of increases in the Bank of Canada rate, all of them are raising their interest rates on mortgages by up to three-quarters of a point and the housing sector is just starting to get off the ground.

Does the Minister of Finance not realize that this new high interest rate policy will choke off any recovery in housing, or in the economy as a whole for that matter? Why will the minister and the Bank of Canada not backtrack on this new, unnecessary high interest rate policy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think the hon. member knows that it is market forces that are having upward pressure on the interest rates.

I remind the hon. member that we are still experiencing the lowest interest rates in 20 years. For example, while the five-year mortgage rate is, I believe, at 9.5 per cent or 9.75 per cent, 10 years ago in 1982 the five-year mortgage rate was 19.5 per cent. I think that reflects a difference in the confidence in a Conservative regime versus a Liberal regime.

Hon. Herb Gray (Windsor West): Madam Speaker, the minister should recognize, as Canadians do, that interest rates have been going back up over the past several weeks.

Last month the government introduced policies to lower down payments and allow the use of RRSP funds for the purchase of homes. Now the government is putting the benefits of these measures at risk with these higher interest rates. Why does the government now want to effectively cancel these measures? Why is the government sabotaging its own policies supposedly aimed at helping this economy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I am glad the hon. member recognized the fact that the government has initiated some very important proposals to help stimulate the housing sector. That has resulted in an increase of housing sales of about 60 per cent over last month and over 17.2 per cent on the basis of a year ago. So I think that is good news.

It is also to fair to say that the market pressures and the volatility that is in the financial markets these days is something that we are all concerned about. I think, to some extent, it casts a reflection on the political uncertainty arising from the constitutional issue.

I think all hon. members would hope that we would be able to make progress in that because that would do a lot to improve the confidence in the financial markets and the over-all economic outlook for Canada.

* * *

POVERTY

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, a new Statistics Canada report puts a human face to the line-ups at the food banks; 40 per cent are children—700,000 children—10 per cent are college graduates and 22 per cent are high school graduates. That is the hungry human face in the lines at the food banks.

My question is for the Minister of National Health and Welfare. There is something dreadfully wrong here. Food banks are the only growth industry in this country. I ask the minister to stop talking about incentives for people to go to work. I want him to understand that

hunger is an incentive. Will he please tell us why his government is not prepared to help these children?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am happy to provide my hon. friend with a fact. My hon. friend refers to this as a growth industry. If that were the case, obviously that would be very, very troubling. Any increase of itself is worrying. My friend should know that there were 576,000 fewer low income Canadians in 1990 than in 1984 and 123,000 fewer low income children. The country has made some very substantial progress. The numbers are going the right way although obviously during the recession we have been knocked back again.

I point out to my hon. friend that we have made very substantial progress in these areas, particularly in respect of children, and we continue to devote the energies and the interests of the government toward that end.

Witness, for example, the decision of the minister of health to focus more and more of the government's resources on children at risk and children in poverty, as announced by the Minister of Finance in the last budget. That I think is an important contribution toward social justice and fairness in Canada.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I appreciate the Prime Minister's response, but the fact of the matter is that his government has now categorized poor children into the deserving poor and the undeserving poor. That is the direction of his government. We now have 700,000 hungry children in line-ups at food banks. That is the record of his government.

I want to ask the Prime Minister this. They have a half million dollars advertising campaign in Canadian papers.

Madam Deputy Speaker: Would the hon. member put her question, please?

Ms. Black: Madam Speaker, my question for the Prime Minister is this. Why is his government advertising to the tune of half a million dollars with ads saying their new benefits are new, they are simpler, they are fairer? They sound like an advertisement for a new detergent. Why are they wasting half a million dollars on ad campaigns instead of feeding the hungry in this country?

Right Hon. Brian Mulroney (Prime Minister): Madam Speaker, we of course have done no such thing. Nor do we take any joy at all in any disparities that emerge in our society, particularly as they impact children.

I have already indicated to my hon. friend and the statistics are there—she may want to examine them—that Canada has made very considerable progress.

I point out an analysis that one of our leading journalists did that may interest her and put it in some perspective: "The result is there is a substantial difference between the 1961 and the 1991 definitions of poverty. In 1961 StatsCan classified as low income any family of three with an annual income of less than $3,000. By our calculations $3,000 in 1961 dollars is equivalent to $14,969 in 1990. Yet the StatsCan low income cut-off for a family of three living in a big city in 1990 was $24,255. The poverty line for a three person household developed by the Canadian Council on Social Development was $25,000".

An hon. member: Time.

An hon. member: Order.

Mr. Mulroney: What I am saying to my hon. friend is that both in relative terms and in real terms the numbers of working poor and the numbers of children under the poverty line have diminished, even though the poverty line has increased and that the—

Some hon. members: Order.

Madam Deputy Speaker: Somehow long preambles bring long answers.

* * *

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Roy MacLaren (Etobicoke North): Madam Speaker, the Prime Minister has just referred to a confidential briefing for two opposition MPs on the North American free trade agreement. Last year the all-party committee on external affairs and international trade stated categorically: "It is critically important that the Canadian people be kept regularly and fully informed about the course and the substance of the government's trade negotiations with Mexico and the United States".

How can Canadians decide if this government is furthering our national interest in these negotiations when it refuses to make clear its position? Why does the government refuse to keep Canadians informed about the course and the substance of these negotiations as was recommended by the all-party committee?

Hon. William C. Winegard (Minister for Science): Madam Speaker, the hon. member knows very well that throughout all of these negotiations the international trade advisory committees have been operating. The SAGITs have been operating and a very substantial group of Canadian businessmen and women have been involved in these negotiations very deeply, indeed. They have been a great help to us in terms of promoting this free trade agreement.

• (1440)

Hon. Roy MacLaren (Etobicoke North): Madam Speaker, the minister knows perfectly well that consultations between business groups and, indeed, provincial governments is a far cry from keeping Canadians regularly and fully informed, as urged by the all-party committee.

What is this government's position on the North American free trade negotiations, on the dispute settlement mechanism, on content requirements, on a social and environmental charter? These are concrete issues that demand concrete answers from this government. Canadians have a right to know—

Madam Deputy Speaker: I think the question has been asked.

Hon. William C. Winegard (Minister for Science): Madam Speaker, the hon. member knows very well that in any negotiations of this kind the general Canadian position is very clear. It is exactly the same thing here as it was in the free trade agreement with the United States. We want to do things that benefit the Canadian people. That is exactly what we are trying to do.

The hon. member knows very well that you do not negotiate a trade agreement in public. That would give away the Canadian position and put us behind the barrel. We believe we are doing a good job.

FORESTRY

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, my question is to the Minister of Forestry on this St. Patrick's day.

Before the Canada-U.S. Free Trade Agreement began there was under the GATT system free entry for a very large percentage of lumber exports going into the United States. Now under the FTA, as the minister will know, softwood products from B.C., for example, face an import tariff of about 29.48 per cent. Since the situation is a direct result of the FTA, will the minister tell us why his government does not intend to use the Employment Support Act of 1971 to support displaced workers and companies under the present situation.

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, my hon. friend is badly informed.

The countervail duty provision that was captured in the memorandum of understanding preceded the free trade agreement. It is actually a benefit to us to have a free trade agreement because it adds to the protection we have under GATT. Nothing has changed there. An appeal has been launched with GATT.

The problem with GATT is that any decision by a GATT panel is not binding. There is a decision of a bilateral, independent dispute mechanism and a panel associated with that will be binding. The free trade agreement will be the instrument that will be used to vindicate our position.

* * *

EMPLOYMENT SUPPORT ACT

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, I may suggest to the minister who just spoke that this will be an interim measure. There were 21,944 Canadian jobs saved as a result of the Employment Support Act of 1971. The cost of saving each job was only $903.77.

Last Tuesday the minister of industry said that this act was being considered. Last Thursday the minister for small business said that the act was not going to be considered. We know that there are applications in the minister's office waiting for the hearing.

My question is to the Solicitor General. Will he please advise his colleagues that they do not have the luxury of choosing whether to use the act or not to use the act.

They must use the legislation in place. How long will it take to have these applications heard and how long will it take to have the 25,000 jobs in the softwood lumber industry in Canada protected?

Hon. Frank Oberle (Minister of Forestry): The question is a bit confusing. In 1971 when this act was used we did not have the same protection under GATT. Nor did we have a free trade agreement with an independent judicial tribunal made up of Canadian and American adjudicators who will be dealing with this issue.

I also want to point out to my friend that what we have is a preliminary hearing or a preliminary determination and that there are two more steps in the current round of assessing the legitimacy of the countervail duty actions, after which we will have access to article 19 of the free trade agreement. This is the best protection that we could possibly have in the situation.

* * *

[*Translation*]

BREAST IMPLANTS

Ms. Mary Clancy (Halifax): Madam Speaker, my question is for the Minister of National Health and Welfare. Yesterday, the minister gave contradictory answers on the subject of breast implants, saying on the one hand that the documents were available but on the other that some were secret. Can the minister assure Canadian women that if the documents are available, he will make them public today?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I much appreciate the question raised by the hon. member for Halifax, since I am asking for permission to table in the House a letter that I sent today to the chair of the House committee on the Status of Women, in which I tell her that we will make available to the committee 10,000 pages of documents on past or present studies done by the department or other bodies that we are asking the committee to consider and to be able to use all the required information, as I said yesterday, since neither I nor the department has anything to hide. This again should reassure women about breast implants.

[*English*]

Ms. Mary Clancy (Halifax): Madam Speaker, I thank the minister for his response.

I would ask if he would also provide to this House a compendium of all the studies on breast implants in the possession of his department so that those could be looked at as well to ensure, as he has said today, that the women of Canada who wish to have breast implants can then make an informed consent.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, all those documents that I released or pointed out to the committee exist today are documents which I can produce.

Of course, we have documents which are under what we call commercial confidentiality. If the member wants through the Department of National Health and Welfare to address any kind of request to the companies and they agree to release the documents, of course it will be a pleasure to do that.

* * *

CANADA 125 CORPORATION

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, my question is for the Minister of Finance.

Canadians will be shocked to learn that this government has found another $30 million, which makes a total of $50 million, for the Canada 125 Corporation, none of which is allocated for community groups to celebrate Canada's 125th birthday.

In view of the minister's and the government's promised fiscal restraint, will the minister explain why this inefficient private corporation is accountable to no one, received an extra $30 million, a 150 per cent increase, when the same moneys would have paid for 10 years of the Court Challenges Program or five years of co-op housing?

[*Translation*]

Hon. Robert de Cotret (Secretary of State of Canada): Madam Speaker, it has always been agreed with the Canada 125 Corporation, a private corporation subsidized by the federal government, that it would have a budget of $50 million: $12 million this year, $18 million for the next fiscal year and the rest for the third year.

The corporation works with a board of directors that well represents all of Canada. It has already approved about 30 projects showing what Canadians have done in the past 125 years. I think that it works very well and I and the government are working with the corporation.

* * *

[*English*]

JUDGES' SALARIES

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I have a supplementary for the Prime Minister or his Irish friend on his right, the Minister of Finance.

Will he confirm that his government will add a cost of living allowance to the salaries of Canadian judges which I calculate will cost $10 million additional next year? Will he tell the House why he is increasing the wages of judges who already make over $147,000 per year when, out of the same moneys, the government could fund a Court Challenges Program for five years? Does his government have any priorities?

• (1450)

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I believe that question anticipates an Order of the Day as the Judges Act is currently before the House.

* * *

NATIONAL DRUG STRATEGY

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, my question is for the Minister of National Health and Welfare. The National Drug Strategy expires at the end of March. Will the government be renewing it and when will we know?

Hon. Benoît Bouchard (Minister of National Health and Welfare): I thank the member for the very intelligent question, Madam Speaker. A very brief question and the answer will be brief.

We are working on the file on the drug strategy and I am looking forward to being able to make an announcement soon.

[*Translation*]

RAILWAYS

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, my question is directed to the Prime Minister.

Because of his government's economic policies, Montreal faces losing another 250 jobs, this time at CP Rail. More than 1,000 jobs were eliminated in the railway sector since the beginning of this year, in a city where one out of every two adults is out of work.

When will the government start taking poverty in Montreal seriously and implement a genuine recovery plan to provide real jobs for people in Montreal who really need them?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, the hon. member must know that recently the federal government announced a number of agreements on industrial development and tourism, especially for the Montreal area. We are now negotiating a very substantial announcement for the Montreal area with the Government of Quebec.

We have had astonishing results with our programs for east and southwest Montreal. In fact, the federal government has done a great deal for the Montreal area and intends to go on doing so in order to meet the specific needs of Montreal's community.

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, the minister makes announcements but ignores the fact that every day we read announcements that hundreds more jobs will be lost in Montreal.

[*English*]

In only two years, 28 per cent of the jobs in the Montreal manufacturing sector have been lost. The real question is when are you going to introduce a policy that really creates jobs and not just gunsmoke, saying that you are announcing a program when every day we are losing jobs? When are you going to announce a real program?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I would appreciate if, with honesty, the member would say all the jobs which were created in Montreal. He knows very well that in the aerospace industry, the telecommunications industry,

the pharmaceutical industry and in many other sectors we have created a lot of jobs in Montreal. I know very well that it is not very interesting for the opposition to say this government works well in Montreal.

* * *

HISTORICAL SITES

Mr. Ron MacDonald (Dartmouth): Madam Speaker, my question is for the Prime Minister. The Preston area of Nova Scotia dates as the oldest permanent black settlement in Canada with the East Lake section of that community being the most probable terminal for the black underground railroad. Yet, this very site has now been designated as a regional garbage dump, outraging both black and non-black Nova Scotians.

Will the Prime Minister ask officials from Parks Canada Historical Sites to immediately assess the site and have it recognized and protected as a site of national historical significance?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, as you know, we have a National Historic Sites Board whose responsibility it is to advise the Minister of the Environment and through the Minister of the Environment, Parks Canada, with respect to the designation of all historic sites, regardless of where they may be located in Canada. Certainly, on behalf of the hon. member, I will draw his concern to the attention of the historic sites board.

Mr. Ron MacDonald (Dartmouth): My supplementary question is to the Prime Minister. The Prime Minister, almost more than any other member of the front bench, is fully aware that the establishment of a garbage dump in a black community on a historically significant site will push back race relations in the province of Nova Scotia at least a decade.

What role is the Prime Minister or his ministers prepared to play to ensure that this issue does not further aggravate the already delicate state of race relations in the province of Nova Scotia?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I understand that the site in question is located within very close proximity of the metropolitan authority which has the responsibility for municipal government in that area. There may well be a possibility that this does indeed fall into their jurisdiction.

In essence, I would repeat the answer I gave just a moment ago, that certainly the federal government through the National Historic Sites Board has a very keen interest in any area of potential national historical significance.

I have spent most of my life as an historian and I am very much aware of that. As I said before, I will ensure that the matter is brought to the attention of the National Historic Sites Board.

* * *

IMMIGRATION AND REFUGEE BOARD

Mr. Dan Heap (Trinity—Spadina): My question is for the Minister of Employment and Immigration.

The *Ottawa Citizen* reports today that a former member of the Immigration and Refugee Board claims that "the Immigration and Refugee Board has become a wretched monster that is out of control".

Canada, as a signatory to the UN Convention on the Protection of Refugees, agreed that all persons with a well-founded fear of persecution have a right to protection from forced return to their country. Yet, Canada's over-all acceptance rate for refugee claimants went down from 76 per cent in 1989 to 64 per cent in 1991.

Will the minister, in view of many recent criticisms of the IRB, respond to the request of the Canadian Council for Refugees by appointing an independent, impartial investigation of its treatment of people claiming asylum in Canada?

Hon. Bernard Valcourt (Minister of Employment and Immigration): No, Mr. Speaker, I will not. I intend rather to make sure that the IRB can continue its good work on behalf of Canadians.

No country in the world has a better record than Canada in protecting genuine refugees. If the hon. member is concerned about the percentage, I remind him that Canada welcomed and gave protection to over 38,000 people last year. No country in the world equals that record. I think that we as Canadians can be proud of that.

Mr. Dan Heap (Trinity—Spadina): My question is whether the minister is trying to discontinue that record.

I have a further supplementary. Will the minister propose, as has been much asked for publicly, amendments to the Immigration Act to provide for a review of board decisions that are challenged?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Board decisions can now be challenged by appeal with leave to the Federal Court of Canada. That system is working well. But I have received representations from different groups. As we speak, my department is looking at ways of trying to improve the refugee determination system. Once we have conducted that review and consulted with members, we can then seize the government of proposals and make decisions at that time.

* * *

[*Translation*]

COURT CHALLENGES PROGRAM

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, in the absence of the Minister of Justice, my question is directed to the Prime Minister. Recently, the Minister of Justice received a letter from Mrs. Bertha Wilson, a retired judge of the Supreme Court of Canada, in which Mrs. Wilson expressed her consternation at the Conservative Government's decision to abolish the Court Challenges Program. She said the program was praiseworthy, imaginative and well managed.

At a time when Canadians are rethinking their Constitutional future, why should the government abolish a program that was seen as essential to making the courts accessible for women, aboriginal people, racial minorities, language and ethnic groups—all of whom know rights are an illusion unless they can go to court to defend those rights? How will the Prime Minister bring this program back?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): I agree with everything the hon. member said, Madam Speaker. This program was very beneficial, but after nearly 300 cases, according to my information, we have now created a certain body of jurisprudence. That is what the program was for, and it was not necessarily meant to be in place for another 10 years.

• (1500)

[*English*]

Ms. Beth Phinney (Hamilton Mountain): Madam Speaker, my question is for the Acting Minister of Justice. It also concerns the Court Challenges Program.

The minister has suggested that this kind of program could be handled by the government itself. In this case the government would find itself challenging and defending the law at the same time. This would obviously be a conflict of interest for the government.

How exactly does the minister propose to deal with this problem?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, as I said, the Court Challenges Program was an excellent program, a made in Canada initiative, to really examine the laws for their fairness, the equality in language laws that were in place. It has done that very fairly. But, after almost 300 cases of jurisprudence that have been established, one would imagine that we now have a significant volume of jurisprudence.

Whether a program must go on forever should be determined now either by other jurisdictions which have a responsibility, or by the private sector, if there is such an interest.

* * *

THE ENVIRONMENT

Ms. Joy Langan (Mission—Coquitlam): The federal government is pulling out of the Fraser River debris control program at the same time it is hosting in Vancouver the Environment '92 conference and at the same time it plans to announce the Fraser River Basin Protection Program agreement between the federal, provincial and municipal governments.

My question is to the parliamentary secretary for the environment. How can the government rationalize abandoning this critical debris control program in less than two weeks in light of its anticipated Fraser River protection program announcement?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, as you know, the federal government announced in one of approximately 50 initiatives under the green plan, that it would be

providing $100 million to the clean-up of the Fraser River several months ago.

I understand that there may be an additional announcement, although it does not come under the jurisdiction of the Minister of the Environment, during the course of the next few days but I think you can appreciate, Madam Speaker, that it would never be politically wise for a parliamentary secretary to upstage any minister in making such an announcement.

* * *

PRESENCE IN THE GALLERY

Madam Deputy Speaker: I draw the attention of hon. members to the presence in the gallery of the Standing Committee on Consumer Affairs and Government Administration from Norway.

Some hon. members: Hear, hear.

* * *

POINT OF ORDER

REPLY IN QUESTION PERIOD

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, during Question Period I raised a question with reference to judges' salaries as opposed to cutting the Court Challenges Program, the increase in salaries versus the cutting.

The minister stood up and said he could not answer the question because there was a bill before the House of Commons.

I would like clarification on this matter. I draw your attention to Beauchesne's, page 132, of the fifth edition, and I quote:

> (12) Questions should not anticipate a debate scheduled for the day, but should be reserved for the debate.

Likewise, in the new edition of Beauchesne's, the sixth edition, page 121, it states:

> (12) Questions should not anticipate a debate scheduled for the day, but should be reserved for the debate.

We are not debating the judges' salary bill today. We are debating an environmental bill. Does that mean we cannot ask questions on the general environment, that we cannot ask questions on pensions because there is a pension bill somewhere in the works of the House of Commons?

Point of Order

With respect, Madam Speaker, I would like a ruling on this. I believe that the minister was wrong and that he should have answered my question. He used the wrong way of ducking a good question.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, we can certainly have a debate about whether that was a good question or not.

Quite frankly, the provisions of Beauchesne's and the experience of the House is that when a bill is before the House, it will come up for debate and that is the proper time for members on all sides to express their opinion and to vote on it.

The use of Question Period to engage in debate which can merely be repetition of what will come later while the bill is under discussion is an abuse of Question Period.

Finally I would remind the hon. member that there is no requirement that any question be answered. So the point of order—

Some hon. members: Shame, shame.

Madam Deputy Speaker: Order, please. The hon. minister.

Mr. Andre: Madam Speaker, it is also out of order to shout down the person trying to address the Chair.

There is no requirement that in fact an answer be provided to any question. Therefore, it is not in order to raise as a point of order an objection to the answer to a question that he received during Question Period. He may not have liked the answer but that is the way it goes. You do not always get the answer you want.

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, with all due respect to the government House leader, the fact of the matter is that he did seek to hide behind procedure or, to put it more charitably, use a procedural argument in order not to answer the question of the hon. member for Port Moody—Coquitlam.

If he is able to do that without the Chair saying something to the contrary then that would set, in my judgment and I am sure the judgment of many other members, a very new precedent, a very new rule with respect to Question Period. To this point the rules are quite clear that questions cannot anticipate an Order of the Day.

Point of Order

I would ask you, Madam Speaker—

Madam Deputy Speaker: If I may, I have listened very carefully to the hon. member for Port Moody—Coquitlam, to the hon. member for Winnipeg Transcona and to the minister.

At that point in time in Question Period when the minister answered that the subject would be coming up for debate, as you know at any time the government can change whatever is being—

Some hon. members: Oh, oh.

Madam Deputy Speaker: The government can change the Order of the Day. The Speaker could not know whether this had been changed for later on this afternoon so I could not in any way judge the hon. minister's answer.

On the other hand as the minister did say, and on this point I think we will all agree, a minister is not obliged to answer a question. But I do agree with the hon. member for Winnipeg Transcona and with the hon. member for Port Moody—Coquitlam that Beauchesne's does say that when it is something that is to be debated later on in the same day, but I could not presume what would happen at the time.

I think tomorrow will be another day for Question Period. I would like us to proceed with the business before the House.

Mr. Murphy: I rise on a point of order, Madam Speaker.

Madam Deputy Speaker: Is this on the same point of order?

Mr. Murphy: Yes.

Madam Deputy Speaker: I think that all that can be said about it right now has been said.

Some hon. members: Point of order.

Madam Deputy Speaker: I beg your pardon. I do not understand, even though this is St. Patrick's Day, the reason to scream at the Speaker. I will not allow this in the House. My respect for this House and for this institution is obviously higher than what some members would like it to be.

I will listen to the hon. member for Churchill, but I do hope that he will keep his voice down.

Mr. Rod Murphy (Churchill): Madam Speaker, I apologize for shouting, but you had cut off debate. I think this is a very important item and I had stood quietly three times previously on it. In your last intervention you said that there was no way of knowing what was coming up today in debate.

• (1510)

In fact prior to the lunch break a House order was passed saying that we would be dealing with third reading of Bill C-13 on the environment. That was a House order agreed to by all the parties.

We knew that the question raised by the member from B.C. was completely in order. We know what questions we are going to ask during Question Period. We know what the issues of debate were. The member had a completely appropriate question. He made a request, which was to have the Speaker rule on whether or not an issue could be raised in the House. Just because there is a bill which may come up one month, two months or three months hence—

Mr. Althouse: Or never.

Mr. Murphy: —or never, as my colleague from Mackenzie said, does not mean that the minister can refuse to answer a question.

We have to be in a position to be able to ask questions. Just because there may be legislation or may not be legislation before this House should not prevent that from happening.

Madam Deputy Speaker: I am quite ready to listen to members all afternoon if they want. What I do not understand from the hon. member for Churchill is that I did agree with him. I did say that Beauchesne's says that we cannot anticipate something which will be debated today. I admitted not knowing what was the subject to be debated after the vote this afternoon. I do apologize. I was not in front of my television set, nor was I in the House of Commons, when the motion was passed earlier today. I had some other business to attend to.

I did agree with the hon. member. I really do not see where we are going now and what are the benefits of going on with this point of order. I would much rather the House proceed with the vote as it is expected and then we go on to debate the third reading of Bill C-13.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I listened with great interest to your

intervention. I concur that you have agreed with my colleagues from the New Democratic Party.

From time to time all of us may make a mistake, but I do want to raise with the Chair for possible reflection at another time that the question put by the hon. member for Port Moody—Coquitlam was a supplementary question, and the supplementary question I believe was on an entirely different matter as I understood it.

Mr. Waddell: No.

Mr. Dingwall: The hon. member says no, but perhaps the Chair might want to take that under advisement to see whether or not that was the actual case.

In terms of asking questions on the subject matter which may or may not be before the House, I would hope that the Chair would always give the benefit of the doubt in circumstances such as that to the questioner in that particular case.

Mr. Blaikie: Madam Speaker, I would just like to say that you have done an admirable job of pointing out where you yourself were in error, and we all respect you for having done that.

What we are seeking is some statement on your part about the extent to which the government House leader was in error in wrongly citing this procedure as a reason for not answering the question.

You said that the minister is not obliged to answer the question. That is true, but the minister is obliged to either not answer the question or, if he wants to give a reason for not answering the question, to give a reason that is true to the rules of the House and not something which distorts the rules of the House. That is what we want the Chair to say.

Until the Chair says that, that particular sentence by the government House leader stands and stands as a bad precedent and a precedent which distorts the rules of the House. We want the Chair to say otherwise, Madam Speaker.

Madam Deputy Speaker: I do not see why this hon. member would raise his voice to me.

Mr. Blaikie: Don't take it personally.

Madam Deputy Speaker: I do not see what mistake I have made apart from not knowing that a motion had been passed earlier this day. Even at that, the government could have changed its mind.

An hon. member: But there was a mistake.

Madam Deputy Speaker: You may not agree with the minister's answer and that is the hon. member's prerogative. I fully agree with that, but I did give the benefit of the doubt to the member, as the hon. member was suggesting, and I think that now we should proceed.

This point of order has to end at some point. There is nothing more that the Speaker can do at this time.

An hon. member: A point of order—

Madam Deputy Speaker: I have just said that to me this point of order has now been listened to very thoroughly and completely and there is no way that I can change anything at this time.

An hon. member: Let's go to the question.

Madam Deputy Speaker: I think we will now go to the question.

An hon. member: Point of order—

Madam Deputy Speaker: I would really ask that the hon. member find another way of wanting me to change whatever decision I have taken, which is no decision except to go to the question.

Mr. Waddell: On a point of order, Madam Speaker—

Madam Deputy Speaker: I am listening to you.

Mr. Waddell: Madam Speaker, I appreciate that you want to get on with House business and I appreciate that you heard my point of order. As you know, we are not yelling and so on. We both appreciate that the Speaker is the servant of the House.

We are concerned with some perhaps bad procedure. We think that the minister could simply have said: I am not going to answer your question or some other answer, but instead he raised a technical point that we think is against the orders of the House.

We would ask the Chair and other members of the House to reflect on that, and I will raise this again tomorrow after Question Privilege as a matter of privilege.

Madam Deputy Speaker: I thank the hon. member. I do appreciate the fact that he realizes that the Speaker cannot be held responsible for answers that are being made nor for questions that are being posed in this House.

The House will now proceed to the taking of the deferred divisions on the motions at report stage of Bill C-13, an act to establish a Federal Environment Assessment Process.

GOVERNMENT ORDERS

[*English*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-13, an act to establish a federal environmental assessment process, as reported (with amendments) from Legislative Committee C.

Madam Deputy Speaker: Call in the members.

[*Translation*]

Before the vote:

Madam Deputy Speaker: The first vote is on Motion No. 11, standing in the name of Mr. Caccia.

The House divided on the motion, which was negatived on the following division:

(*Division No. 114*)

YEAS

Members

Allmand
Angus
Assad
Baker
Bellemare
Bevilacqua
Blackburn (Brant)
Blondin
Butland
Callbeck
Copps
Dingwall
Finestone
Fontana
Fulton
Gagliano
Gauthier
Grey (Beaver River)
Harvard
Heap
Hovdebo
Jordan
Kristiansen
LeBlanc (Cape Breton Highlands—Canso)
Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Benjamin
Black
Blaikie
Boudria
Caccia
Clancy
de Jong
Duhamel
Flis
Foster
Gaffney
Gardiner
Gray (Windsor West)
Guarnieri
Harvey (Edmonton East)
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
Lee
MacAulay
MacLaren
Marleau
McGuire
Milliken
Mitchell
Nault
Nystrom
Parent
Peterson
Proud
Rideout
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Wappel
Young (Beaches—Woodbine)—83
MacDonald (Dartmouth)
Manley
McCurdy
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Prud'homme
Rompkey
Skelly (North Island—Powell River)
Speller
Taylor
Waddell
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Boyer
Cadieux
Champagne (Champlain)
Clark (Brandon—Souris)
Cooper
Corbett
Crosbie (St. John's West)
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hughes
Johnson
Jourdenais
Koury
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Oberle
Plourde
Pronovost
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Venne
Vien
Weiner
Andre
Beatty
Bernier
Bjornson
Bosley
Bourgault
Brightwell
Chadwick
Chartrand
Cole
Corbeil
Couture
Danis
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
James
Joncas
Kempling
Langlois
Layton
Littlechild
Lopez
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Monteith
Nicholson
Plamondon
Porter
Redway
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Vincent
White

Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard Worthy—119

PAIRED MEMBERS

Nowlan Siddon

[*Translation*]

Madam Deputy Speaker: I declare the motion lost.

Mr. Gagliano: On a point of order, Madam Speaker.

Madam Deputy Speaker: The hon. member for Saint-Léonard on a point of order.

Mr. Gagliano: Madam Speaker, I think that you will find unanimous consent to apply the result of the vote we have just taken to Motions Nos. 18, 19, 29, 31, 32 and 33.

Madam Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

[*English*]

Mr. Comuzzi: Madam Speaker, I apologize to the Chair for being late for the vote, but had I been here I would have voted with my colleagues on this side.

Mr. Walker: I make the same apology, Madam Speaker. I would have voted with my party also.

Madam Deputy Speaker: So those two votes can be added on.

[*Translation*]

Mr. Berger: Never two without three. I join my colleagues and make the same point.

[*English*]

Mr. Langdon: Madam Speaker, I missed the original vote, for which I apologize. I wonder if I could have my vote recorded with the other members of my party with respect to the remaining votes which are being applied.

[*Translation*]

Madam Deputy Speaker: The next vote is on Motion No. 18, standing in the name of Mr. Caccia.

The House divided on the motion, which was negatived on the following division:

(Division No. 115)

YEAS

Members

Allmand
Angus
Assad
Baker
Bellemare
Berger
Black
Blaikie
Boudria
Caccia
Clancy
Copps
Dingwall
Finestone
Fontana
Fulton
Gagliano
Gauthier
Grey (Beaver River)
Harvard
Heap
Hovdebo
Jordan
Kristiansen
Langdon (Essex—Windsor)
Lee
MacDonald (Dartmouth)
Manley
McCurdy
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Prud'homme
Rompkey
Skelly (North Island—Powell River)
Speller
Taylor
Waddell
Wappel
Young (Beaches —Woodbine)—87

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Benjamin
Bevilacqua
Blackburn (Brant)
Blondin
Butland
Callbeck
Comuzzi
de Jong
Duhamel
Flis
Foster
Gaffney
Gardiner
Gray (Windsor West)
Guarnieri
Harvey (Edmonton East)
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
Marleau
McGuire
Milliken
Mitchell
Nault
Nystrom
Parent
Peterson
Proud
Rideout
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Walker
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Boyer
Cadieux
Champagne (Champlain)
Clark (Brandon—Souris)
Cooper
Corbett
Crosbie (St. John's West)
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau
Guilbault

Andre
Beatty
Bernier
Bjornson
Bosley
Bourgault
Brightwell
Chadwick
Chartrand
Cole
Corbeil
Couture
Danis
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson

Halliday
Hawkes
Hockin
Holtmann
Hughes
Johnson
Jourdenais
Koury
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Oberle
Plourde
Pronovost
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Venne
Vien
Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Harvey (Chicoutimi)
Hicks
Hogue
Horner
James
Joncas
Kempling
Langlois
Layton
Littlechild
Lopez
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Monteith
Nicholson
Plamondon
Porter
Redway
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Vincent
White
Worthy—119

PAIRED MEMBERS

Nowlan
Siddon

Madam Deputy Speaker: I declare the motion lost.

The next vote is on Motion No. 19, standing in the name of Mr. Caccia.

The House divided on the motion, which was negatived on the following division:

(Division No. 116)

YEAS

Members

Allmand
Angus
Assad
Baker
Bellemare
Berger
Black
Blaikie
Boudria
Caccia
Clancy
Copps
Dingwall
Finestone
Fontana
Fulton
Gagliano
Gauthier
Grey (Beaver River)
Harvard
Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Benjamin
Bevilacqua
Blackburn (Brant)
Blondin
Butland
Callbeck
Comuzzi
de Jong
Duhamel
Flis
Foster
Gaffney
Gardiner
Gray (Windsor West)
Guarnieri
Harvey (Edmonton East)
Heap
Hovdebo
Jordan
Kristiansen
Langdon (Essex—Windsor)
Lee
MacDonald (Dartmouth)
Manley
McCurdy
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Prud'homme
Rompkey
Skelly (North Island—Powell River)
Speller
Taylor
Waddell
Wappel
Young (Beaches—Woodbine)—87
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
Marleau
McGuire
Milliken
Mitchell
Nault
Nystrom
Parent
Peterson
Proud
Rideout
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Walker
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Boyer
Cadieux
Champagne (Champlain)
Clark (Brandon—Souris)
Cooper
Corbett
Crosbie (St. John's West)
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hughes
Johnson
Jourdenais
Koury
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Oberle
Plourde
Pronovost
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thacker
Andre
Beatty
Bernier
Bjornson
Bosley
Bourgault
Brightwell
Chadwick
Chartrand
Cole
Corbeil
Couture
Danis
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
James
Joncas
Kempling
Langlois
Layton
Littlechild
Lopez
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Monteith
Nicholson
Plamondon
Porter
Redway
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Tétreault
Thorkelson

Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vankoughnet
Venne	Vézina
Vien	Vincent
Weiner	White
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—119

PAIRED MEMBERS

Nowlan	Siddon

Madam Deputy Speaker: I declare the motion lost. Therefore, Motion No. 29 is negatived.

The next vote is on Motion No. 31, standing in the name of Mr. Taylor.

The House divided on the motion, which was negatived on the following division:

(Division No. 117)

YEAS

Members

Allmand	Althouse
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Baker	Barrett
Bellemare	Benjamin
Berger	Bevilacqua
Black	Blackburn (Brant)
Blaikie	Blondin
Boudria	Butland
Caccia	Callbeck
Clancy	Comuzzi
Copps	de Jong
Dingwall	Duhamel
Finestone	Flis
Fontana	Foster
Fulton	Gaffney
Gagliano	Gardiner
Gauthier	Gray (Windsor West)
Grey (Beaver River)	Guarnieri
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Hovdebo	Hunter
Jordan	Keyes
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
Manley	Marleau
McCurdy	McGuire
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nunziata	Nystrom
Ouellet	Parent
Parker	Peterson
Phinney	Proud
Prud'homme	Rideout
Rompkey	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stupich
Taylor	Vanclief
Waddell	Walker
Wappel	Young (Acadie—Bathurst)
Young (Beaches —Woodbine)—87	

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bernier
Bird	Bjornson
Blenkarn	Bosley
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Cadieux	Chadwick
Champagne (Champlain)	Chartrand
Clark (Brandon—Souris)	Cole
Cooper	Corbeil
Corbett	Couture
Crosbie (St. John's West)	Danis
Darling	DeBlois
de Cotret	Della Noce
Desjardins	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Gérin
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Hughes	James
Johnson	Joncas
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Lewis	Littlechild
Loiselle	Lopez
MacDougall (Timiskaming)	Malone
Marin	Martin (Lincoln)
Masse	Mazankowski
McCreath	McDermid
McDougall (St. Paul's)	McKnight
Merrithew	Monteith
Moore	Nicholson
Oberle	Plamondon
Plourde	Porter
Pronovost	Redway
Reimer	Ricard
Robitaille	Roy-Arcelin
Saint-Julien	Schneider
Scott (Hamilton—Wentworth)	Shields
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Tétreault
Thacker	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vankoughnet
Venne	Vézina
Vien	Vincent
Weiner	White
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—119

PAIRED MEMBERS

Nowlan	Siddon

Madam Deputy Speaker: I declare the motion lost.

The next vote is on Motion No. 32, standing in the name of Mr. Taylor.

The House divided on the motion, which was negatived on the following division:

(Division No. 118)

YEAS

Members

Allmand
Angus
Assad
Baker
Bellemare
Berger
Black
Blaikie
Boudria
Caccia
Clancy
Copps
Dingwall
Finestone
Fontana
Fulton
Gagliano
Gauthier
Grey (Beaver River)
Harvard
Heap
Howdebo
Jordan
Kristiansen
Langdon (Essex—Windsor)
Lee
MacDonald (Dartmouth)
Manley
McCurdy
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Prud'homme
Rompkey
Skelly (North Island—Powell River)
Speller
Taylor
Waddell
Wappel
Young (Beaches —Woodbine)—87

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Benjamin
Bevilacqua
Blackburn (Brant)
Blondin
Butland
Callbeck
Comuzzi
de Jong
Duhamel
Flis
Foster
Gaffney
Gardiner
Gray (Windsor West)
Guarnieri
Harvey (Edmonton East)
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
Marleau
McGuire
Milliken
Mitchell
Nault
Nystrom
Parent
Peterson
Proud
Rideout
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Walker
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Boyer
Cadieux
Champagne (Champlain)
Clark (Brandon—Souris)
Cooper
Corbett
Crosbie (St. John's West)
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Ferland
Fretz

Andre
Beatty
Bernier
Bjornson
Bosley
Bourgault
Brightwell
Chadwick
Chartrand
Cole
Corbeil
Couture
Danis
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gérin

Gibeau
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hughes
Johnson
Jourdenais
Koury
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Oberle
Plourde
Pronovost
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Venne
Vien
Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard

Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
James
Joncas
Kempling
Langlois
Layton
Littlechild
Lopez
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Monteith
Nicholson
Plamondon
Porter
Redway
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Vincent
White
Worthy—119

PAIRED MEMBERS

Nowlan

Siddon

Madam Deputy Speaker: I declare the motion lost.

The next vote is on Motion No. 33, standing in the name of Mr. Caccia.

The House divided on the motion, which was negatived on the following division:

(Division No. 119)

YEAS

Members

Allmand
Angus
Assad
Baker
Bellemare
Berger
Black
Blaikie
Boudria
Caccia
Clancy
Copps
Dingwall
Finestone
Fontana
Fulton
Gagliano
Gauthier

Althouse
Arseneault
Axworthy (Winnipeg South Centre)
Barrett
Benjamin
Bevilacqua
Blackburn (Brant)
Blondin
Butland
Callbeck
Comuzzi
de Jong
Duhamel
Flis
Foster
Gaffney
Gardiner
Gray (Windsor West)

Grey (Beaver River)
Harvard
Heap
Hovdebo
Jordan
Kristiansen
Langdon (Essex—Windsor)
Lee
MacDonald (Dartmouth)
Manley
McCurdy
Mifflin
Mills
Murphy
Nunziata
Ouellet
Parker
Phinney
Prud'homme
Rompkey
Skelly (North Island—Powell River)
Speller
Taylor
Waddell
Wappel
Young (Beaches —Woodbine)—87

Guarnieri
Harvey (Edmonton East)
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
Marleau
McGuire
Milliken
Mitchell
Nault
Nystrom
Parent
Peterson
Proud
Rideout
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Walker
Young (Acadie—Bathurst)

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Boyer
Cadieux
Champagne (Champlain)
Clark (Brandon—Souris)
Cooper
Corbett
Crosbie (St. John's West)
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Ferland
Fretz
Gibeau
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hughes
Johnson
Jourdenais
Koury
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Masse
McCreath
McDougall (St. Paul's)
Merrithew
Moore
Oberle
Plourde
Pronovost
Reimer
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)

Andre
Beatty
Bernier
Bjornson
Bosley
Bourgault
Brightwell
Chadwick
Chartrand
Cole
Corbeil
Couture
Danis
DeBlois
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
James
Joncas
Kempling
Langlois
Layton
Littlechild
Lopez
Malone
Martin (Lincoln)
Mazankowski
McDermid
McKnight
Monteith
Nicholson
Plamondon
Porter
Redway
Ricard
Roy-Arcelin
Schneider
Shields

Sobeski
Sparrow
Tardif
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Venne
Vien
Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard

Soetens
Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Vincent
White
Worthy—119

PAIRED MEMBERS

Nowlan

Siddon

Madam Deputy Speaker: I declare the motion lost.

The next vote is on Motion No. 34, standing in the name of Mr. Charest.

Hon. Jean J. Charest (Minister of the Environment) moved:

Motion No. 34.

That Bill C-13 be amended by adding immediately after line 40 at page 49 the following new clause:

"72. (1) Five years after the coming into force of this section, a comprehensive review of the provisions and operation of this Act shall be undertaken by the Minister.

(2) The Minister shall, within one year after a review is undertaken pursuant to subsection (1) or within such further time as the House of Commons may authorize, submit a report on the review to Parliament including a statement of any changes the Minister recommends."

Madam Deputy Speaker: Would all those in favour please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: Would all those opposed please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion, the yeas have it.

Some hon. members: On division.

Madam Deputy Speaker: I declare the motion carried on division.

Motion agreed to.

Hon. Harvie Andre (for the Minister of the Environment) moved that the bill, as amended, be concurred in at report stage.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to

Madam Deputy Speaker: When shall the bill be read the third time? According to order made earlier today, now.

Mr. Andre (for the Minister of the Environment) moved that the bill be read the third time and passed.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Madam Deputy Speaker: Debate. The hon. member for Brandon–Souris.

Mr. Benoît Bouchard (Roberval): Madam Speaker, point of order. This afternoon, during Oral Question Period, I referred to a list of documents that the department is making available on breast implants. With leave of the House, I would like to table these documents here in the House, as I indicated during Oral Question Period.

Madam Deputy Speaker: Debate. The Hon. Parliamentary Secretary to the Minister of the Environment.

• (1550)

[*English*]

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Madam Speaker, let me express, once again, my regret for the error I made earlier during Question Period when I referred to you as Mr. Speaker. That was simply due to my failure to look at the Chair.

Madam Deputy Speaker: That was not the most difficult part of my day, I can assure you.

Mr. Clark (Brandon—Souris): It is an honour and privilege to be able to begin third reading debate on Bill C–13. Once again I would like to begin by expressing the regret of the Minister of the Environment that his previously determined schedule prevented him from being present on this very important and happy occasion. As you know he is participating at this moment in very important meetings in Vancouver with respect to the proceedings of Globe '92, a significant international environmental conference. He is also meeting with his colleagues of the Canadian Council of Ministers of the Environment. That is certainly a very significant undertaking.

The legislation before us is very significant and has been marked by an immense amount of co–operation from all the parties concerned during the various stages which have brought us to this point today. I would like to begin by officially thanking the members of my own party who have participated in the various committee stages. There were two such stages because this bill was once known to the House as C–78. It was subsequently reincarnated in the form of C–13. Members have served very diligently over that period of time and their names are part of the *Hansard* proceedings.

I would also like to thank the members of the opposition parties who were equally diligent and helpful during the course of their participation.

In addition I would like to make note of the constant guidance and assistance provided by a number of FEARO officials as well as the Department of the Environment staff. We could not have made the progress we did without their assistance.

I would also like to note that the committee handled its responsibilities in a different and perhaps unique way. In one instance the Minister of the Environment made an unusual effort and offered to attend the committee during clause–by–clause. In fact he rearranged his schedule so he could be present for a very extensive period of time.

Unfortunately our own schedule did not permit him to be present as often as he had wished, but he was present during clause–by–clause more than is normally the case. I think all members of the committee were appreciative of that. At the suggestion of the Minister of the Environment, the committee decided to secure the assistance of two distinguished extremely able environmental lawyers, Bill Andrews of the West Coast Environmental Law Association, and Brian Pannell of the Canadian Environmental Network.

I found their guidance to be exceedingly helpful. They were present during all of our clause–by–clause negotiations which went on for several days. I think the other members of the committee would agree that they were able to bring to the table not only a level of competence, but a very thorough understanding of the bill and the law pertaining to the area of environmental protection. So I

would like to take this opportunity to thank them for the contribution they made.

What we have before us today is the result of some four years of labour, going back to when the bill in the form of C-78 was initially commenced and the consultations which literally took place from coast to coast to coast began. I think it is the result of an immense amount of labour and I am very pleased with what we have accomplished. I am very pleased with the degree of unanimity we have been able to bring to the issue at hand in this House. As we have just demonstrated, there was a division of opinion on certain amendments. I think we have made very significant progress in terms of trying to draft a bill that will have widespread support throughout this House and the country as well.

I see before us today in Bill C-13 a beginning and not an end. We have already passed amendments which provide that the minister will report back to the House on his assessment after some five years of its operation.

I am certain this will be an area of ongoing legislative activity. I believe I am speaking today at the beginning of a process that will obviously be a continuing one and will presumably go on for generations and generations.

This process we have put in place is a significant one and will have an impact on virtually every Canadian whose life and environment might be altered for better or for worse by any development project. It will give them the opportunity and the forum in which to voice their concerns with respect to such development.

In my opinion the bill will bring increased efficiency, more consistency and more cost effectiveness to the way we evaluate the environmental consequences of economic development. It will make environmental factors equal partners—and I think that is worth stressing—with social and economic concerns in the process.

Before I explain the provisions of this act I would just like to take a moment or so to talk about the terms of the historical context under which this legislation has evolved. The history of the Canadian environmental assessment process is relatively short. Just 19 years ago in 1973 environmental assessments of federal projects were formalized by a fairly loosely worded cabinet decision. This decision was followed and reinforced by several cabinet directives during the 1970s.

A regime under which we study the environmental effects of proposed projects today was established in 1984. The Environmental Assessment Review Process guidelines order in council or EARP, as we know it, was written as a guideline. Several court decisions however have given what was meant to be a guideline, the force of administrative law. As a result this guideline became the law of general application.

A further result of these court decisions was to breed uncertainty in the environmental assessment review process itself. As we all know, uncertainty can cause credibility to decay. For an environmental assessment process to be effective it must not only be credible, it must also be seen to be credible.

For all these reasons and indeed for more, we welcomed the Supreme Court decision on the Oldman River project. It has brought much needed clarification of federal jurisdiction over the environment. By recognizing the constitutional right and responsibility of the federal government to conduct environmental assessments when it makes decisions, this ruling has removed much of the uncertainty previously associated with such reviews.

This high court also recognized that the responsibility for the environment is shared between the federal and provincial levels of government. Its decision will help to clarify the respective role of each. The Oldman ruling will ultimately have the effect of encouraging a co-operative approach among the jurisdictions involved in environmental assessments. This is an approach which has been embraced wholeheartedly in the legislation before us. You will find there is room for increased co-operation and participation in the environmental assessment process. Indeed that is one of the key underpinnings of the act before us.

I must tell the House at this point that even before these court decisions, the federal government recognized the inadequacies of EARP, as we knew it, and had begun to take steps to reform it. The genesis of this reform was in 1987 when the then Minister of the Environment released the discussion paper entitled "Reforming the Environmental Assessment".

I note for the hon. members of this Chamber that the release of the minister's green paper was coincidental with the release of the report of the World Commission on Environment and Development which, among other things, called for a strengthening of environmental assessment procedures at all levels of government.

• (1600)

Over the following year, a series of regional meetings and a national consultation workshop afforded opportunities for the public to scrutinize and comment on the proposals. The public input so gained was incorporated into the first draft of the proposed Canadian Environmental Assessment Act which was first tabled in this House in the spring of 1990.

Subsequently during 1991, individuals and organizations from across Canada made submissions to the all-party legislative committee reviewing the proposed legislation.

I would note by the way that the chairman of that committee is in the House, as indeed is the chairman of that committee's successor.

This past fall, the Minister of the Environment tabled a revised bill based on the public input before the committee. That brings us to the present.

What we have before us today in Bill C-13 is the result of four years of very significant labour by Canadians who care for the environment. It has been subject to and benefited from three separate rounds of public consultations.

Together, the opposition parties proposed a total of 135 amendments. After consulting with Canadians, the government itself proposed 60 changes to the legislation, some of which I shall make specific reference to in just a moment.

Even beyond these three opportunities for public comment, in a most unusual step before being tabled in the House today, the final version was poured over by lawyers from the Canadian Environmental Network during clause by clause. I have already referred to the efforts of Mr. Pannell and Mr. Andrews earlier in my remarks.

Consequently, the bill that is before us now is a synthesis of the knowledge, expertise and opinion of as broad a spectrum of environmentally knowledgeable and sensitive Canadians as one could hope to find.

That, however, does not suggest that Bill C-13 is the ultimate environmental assessment legislation. It is not and indeed it could not be at this particular point in time. I would suggest that Bill C-13 is literally miles ahead, if I may still use the term miles, of what we would normally regard as the *status quo*.

If the current environmental assessment procedures can be characterized as uncertain and unclear then the proposed reforms must be described as definite and precise. What is before us today is modern legislation intended for a modern world.

We have before us legislation which provides a strong foundation for environmental assessment procedures for the 1990s and indeed for beyond. As I have said before in this chamber, the Canadian Environmental Assessment Act will give us assessment procedures that are more efficient, more consistent and more cost-effective than what we have now.

It will do this by ensuring that the adverse environmental effects of a project under study are identified, evaluated and addressed early in the planning stages before decisions are irrevocably cast. All of us would applaud that. It will do so by strengthening public participation in the assessment process and by providing the opportunity to and encouraging those who may be affected by a proposal to influence federal government decisions about it.

Where there is disagreement over the value of potential environmental changes wrought by a project, these new and improved review procedures are designed to facilitate a consensus agreement among the stakeholders.

When implemented, the new Canadian Environmental Assessment Act will give substance to the principles of sustainable development. It will ensure that environmental factors are studied as diligently as economic and social considerations.

The new environmental assessment procedures will encourage the federal government to make decisions that integrate environmental and economic considerations and move us closer to our stated goal of achieving sustainable development.

All proposals with the potential to change the environment that require a federal initiative undertaking or activity will be studied for environment effect.

I will conclude by telling this House that after some of the most extensive consultations between Canadians and the federal government, my colleague, the Minister of the Environment, incorporated several key amendments to the bill which is before us today.

These amendments, in my opinion, strengthen the assessment process. They increase the clarity and the effectiveness of the process and they respond to the very specific and expressed needs of Canadians.

First of all, I am pleased to be able to tell the House that this bill no longer talks in terms of "balancing" environmental and economic goals. Instead, this outmoded concept has been succeeded by the more realistic philosophy of integrating these complementary objectives.

We feel that using this more positive definition of sustainable development will result in assessments that are based on more modern environmental principles.

We have also proposed the term "comprehensive study" to replace "mandatory study" in order to lay to rest the misconception that if a project were not on the mandatory list it would not be assessed.

It is important for Canadians to realize that those projects likely to have significant adverse environmental effects will be subject to broader and more in depth studies. This amendment and the wider definition of project the government has proposed will allow the assessment process to focus on those activities and those undertakings which warrant closer scrutiny while avoiding unnecessary or frivolous examination.

Under these amendments native concerns will be better accommodated as well. We are proposing that both "traditional aboriginal uses of the land" and "heritage resources" be included under the definition of "environmental effect" in assessing projects.

Some Canadians expressed wariness at the use of discretionary language in the act and suggested that it was an attempt by the government to court-proof this legislation. Nothing could have been further from the truth.

Nevertheless, in response to this concern we have removed as much of the discretionary language as we possibly could.

We also removed the double standard, or potential double standard which was suggested by the terms "significant" and "serious." Significant environmental effect is a term now used throughout the bill. Significant is a sole threshold level in the United Nations Convention on Environmental Impact Assessment in a transboundary context to which Canada is a party and which we would hope to ratify in the near future.

Another issue which was raised in the course of our consultations was the absence in this legislation of the need for and alternatives to projects. The amendments which we have proposed give the Minister of the Environment power to include these and any other appropriate factors in an assessment.

Just prior to closing I would also like to refer to one additional amendment if I am permitted to do so.

The government has proposed amending that section of the bill which deals with mediators and review panels so as to include guidelines for their selection and appointment. This amendment responds directly to those environmental and industry groups and associations which had underlined the need for stated criteria to ensure high standards for mediation and panel review.

As a result of these amendments and others to which I think some of my colleagues will be speaking during the course of third reading debate, we have before us today legislation which will give this country an environmental assessment process which speaks to the express needs of Canadians, individuals, business, industry, and governments alike. It is legislation in which we can all take pride.

In closing, because this is indeed for me the closing moments in what has been a very long and on occasion somewhat protracted process, I would like to say I am very pleased to have been able to participate in this process.

I echo the words of many of my colleagues as expressed earlier that indeed when we are talking in terms of protection of the environment we are today speaking to the concerns of Canadians which perhaps are more significant and certainly more clearly expressed than they have ever been before.

Some colleagues opposite in the course of speaking to specific amendments made reference to the fact that young people have a very strong and genuine concern for the protection of the environment.

I would agree with that. I would echo those words because I think younger Canadians today are very conscious of the fact that it is to them that our generation is leaving a great deal. In some of it we can take pride in terms of what we pass on to other generations.

In other instances we might wish we had done a better job than we have done to date. I would say that without in any way laying blame to other administrations that have been before us because that is an inadequate explanation for what has transpired.

All of us in this House and all of us who have been here for some time have had a responsibility to ensure that this type of legislation indeed is law. Perhaps what we could say is that at long last we are on the verge of making it law.

I personally would express a desire that we could have been able to move more quickly than we have.

• (1610)

Our deliberations at the time were time-consuming. At times they were particularly frustrating for the two chairmen who are sitting here near me, the chairman of the committee studying Bill C-78 and the chairman of the committee studying Bill C-13. Although the deliberations were perhaps a bit more time-consuming than they anticipated or indeed, on occasion would have wished, the legislation which is before us now is better as a result.

It is better as a result of the witnesses who gave us testimony. It is better as a result of the co-operation which was most marked and very commendable within the committee. Again, I reiterate my thanks to all who were party to that process. It is better legislation as a result of departmental officials who gave us the advantage of their advice.

I present Bill C-13 for third reading. I am pleased by what we have achieved. I recognize that the task is far from completed. Other members will be standing in this place in years to come. They will be ensuring that this legislation improves with the passage of time.

I feel that what we have before us is a good piece of work. I ask members of the House to not only give it their serious consideration but also reasonably speedy consideration.

[*Translation*]

Hon. Chas. L. Caccia (Davenport): Madam Speaker, I listened with a great deal of interest to what was said by the parliamentary secretary, and I think he is to be commended for his very balanced and very honest speech.

[*English*]

We have now come out of a long tunnel which, measured in terms of time, has been almost two years. What is before us here today represents a small step in the right direction. The parliamentary secretary has quite effectively managed to describe it as a great step and that goes to his credit.

He went out of his way in committee to accommodate and to facilitate the interventions and the ideas that were put forward both by colleagues of my party and of the NDP, wherever possible, so that the process became meaningful in a manner that I can recall very rarely happened in the history of other legislation.

When and where these suggestions that came from the opposition side were not accepted, it was certainly not because of lack of trying on his part. It was because of lack of political will upstairs. One has to recognize, and I gladly do, the phenomenal effort on the part of the parliamentary secretary in facilitating the process and in making it meaningful in a manner that is unique in the history of parliamentary committees.

In that sense, I want not only to recognize it but also to thank him and congratulate him on his very fine, thoughtful, perceptive role laced with frequent humourous interventions which at times were an enormous help in diffusing tension.

Having said that, one must conclude that unfortunately the government did not seize on this unique opportunity of practising sustainable development.

The bill, although it attempts in its introductory, theoretical portions to set out the framework that is reminiscent of sustainable development, particularly in the clause dealing with purposes, when it comes to the

nitty-gritty and the substance it does not manage to do that.

This is probably one of the reasons the Canadian Environmental Law Association, in a statement issued today concludes: "CELA, Canadian Environmental Law Association, cannot support Bill C-13 as amended and we recommend that even at this late stage, the bill should be substantially amended to address the major deficiencies identified therein".

One has to put this in a broader international context. Canada is making very strong commitments abroad to the concept of sustainable development. The Prime Minister of Canada at the United Nations in 1987 or 1988 committed himself and the nation to the implementation of sustainable development in the Brundtland report. In 1989 in The Hague, the Prime Minister again made a very clear strong commitment to sustainable development. Yet when it comes to the test of introducing such an important measure, we do not see the political will that corroborates the theory and puts it into practice.

The Government of Canada appears to be strong on promotion and exhortation of sustainable development but non-operational when it comes to the practical, the implementation of that concept and reinforcing the theoretical framework within which sustainable development finds its expression. Let me be more precise and explain what I am trying to say.

In the Brundtland report of 1987 there were several priority areas which were outlined as areas where institutional and legal reforms were identified. They went from the concept of moving downstream to going to the sources of environmental damage. They dealt with the effects of environmental damage. They saw the need for reform in the assessment of global risks and the need to change institutions to make informed choices in the area of providing the legal means. That is where we are right now with Bill C-13. Finally they saw the need for measures that would invest in our future.

The Brundtland commission recognized environmental assessment as the key mechanism, as the instrument to initiate some of these very important reforms. Therefore this exercise on Bill C-13 at third reading becomes so important because it will be at the root of so many important decisions.

In Canada we have had a process of environmental assessment since 1974. It was an administrative process. Then in 1984, under the Liberal administration, cabinet modified this process and set up certain guidelines under the name of the environmental assessment and review process. They were issued by means of an order in council which became publicly known. Under the Conservative administration, the guidelines were interpreted as being discretionary. In April 1989, a Federal Court ruling on the Rafferty—Alameda dam case interpreted these guidelines not as discretionary but as mandatory and treated them as federal law. It was that decision by Judge Cullen which understandably triggered the production first of Bill C-78 and then of Bill C-13. The government had to take certain legal initiatives.

• (1620)

Let me take you back to 1987 because it is important. At that time there was a national task force on the environment and the economy. To its credit the government of Canada was one of the first to move on the Brundtland report to produce an analysis of our *modus operandi* in its recommendation in the September 1987 report. I am quoting now from section 24 of that report of the national task force where it reads: "All ministers must become directly responsible"—I repeat, "all ministers" because this is important in the analysis of the over-all bill. "All ministers must become directly responsible and accountable for the environmental and economic consequences of the policies, legislations and programs".

The task force also recognized the cost effectiveness of assessing the sustainability of policies and so on and went on to say: "Sustainable economic development would minimize environmental input and future cleanup costs by advanced and integrated planning. In the phrase the remedial reactive approach would be replaced by anticipate and prevent as the dominant concept underlying environmental economy integration.

The political and economic structures of Canada and the world are awakening to the need to make economic development sustainable. Decision-making has not yet adapted to fulfil this need. Change is necessary and it must occur now". This is what the task force wrote in

1987 and that is where we were at that time. Please remember the stress on ministers in the plural.

We then went through an experience with Bill C–78 which at this stage belongs to history. It was a very weak bill and that was repeatedly stressed by environmental organizations, witnesses and the opposition. The government listened to these interventions because it then produced Bill C–13.

In presenting this new rewritten Bill C–13, it became clear that there were still many problems and many changes had been made. The parliamentary secretary is quite right in dwelling on and stressing the positive aspects and changes that were made which one must recognize. There is no doubt about that.

I must recognize, as the parliamentary secretary did, the presence in this House of two chairpersons who very ably conducted the hearings on both Bill C–78 and C–13. We were helped by Brian Pannell and Bill Andrews, two young and very competent environmental lawyers, who served as expert advisers to the committee during the clause–by–clause study of the bill. That was a first. Credit for that initiative goes to the parliamentary secretary who allowed everybody in committee, on both the government and opposition side to call for an opinion on a moment's notice from the two experts. They were then able to tell us how to treat a certain amendment, how to word it, or how to improve the existing language.

Having said all that I must now take you through a very important conceptual flaw that exists in this bill. It will be followed by some points of disagreement that we have.

The conceptual flaw with Bill C–13 is that the bill is designed on the basis that everything is out unless it is defined as being in. In other words the legislation does not require the application of the environmental assessment process to any project that requires federal government approval unless the act of approval, licence or permit is specified in the regulations as triggering the review process.

Many environmental groups, experts and witnesses recommended instead environmental assessment legislation that would be based on a concept which is the opposite side of that one, namely that everything is in unless it is defined as being out. You can appreciate that if you adopt one principle, everything is out unless it is in or everything is in unless it is out, you draft completely different legislation, of course.

The legislation that would have been written under the principle, all is in unless it is out, would require the application of the assessment process to all projects that require federal approval unless they were exempted by regulation. We believe the procedure adopted by the government will be complicated to administer and has the potential for projects to slip through the cracks if the list of triggering mechanisms is not thoroughly compiled. We had some good debate yesterday particularly when it came to section 37, I believe.

Now this is the conceptual flaw. Putting that aside, I would move now to points of disagreement. First of all that has to do with who has the power to be the final decision–maker. It is true that in Bill C–13, unlike C–78, the Minister of the Environment has a significant role in the environmental assessment process. However the final decision–making responsibility for the fate of a project remains in the hands of the minister who is responsible for the project. It would be the Minister of Transport if it is an airport, the Minister of Fisheries if it is a wharf or the Minister of Transport if it is double tracking in British Columbia along a river which has high salmon resources and so on.

This approach is not a desirable one because the minister responsible for the project is also a proponent or at least a strong supporter of the project itself. It then becomes all too easy to use the escape hatch provided in section 37, about which we had a long discussion yesterday, whereby a project can "be justified in the circumstances" even if it will cause, and I quote again from the bill, "significant adverse environmental impact". I described that yesterday as an immense loophole and it still remains as such.

In his rebuttal yesterday, the parliamentary secretary waxed very eloquently about self–assessment. No one could do better than he does on that. Self–assessment does not necessarily mean self–regulation. There is a big difference between the two and he appreciated that. I doubt very much the minister will practise self–assessment and self–regulation at the same time at this stage. I will have something to say about that later.

We on this side proposed an amendment that would have changed this section 37 so that the final decision-making responsibility would have been given to cabinet as a whole. A collective responsibility would be better than leaving the responsibility to the proposing minister who has a mandate to do that, including the Prime Minister, of course. We tried, of course, and we did not succeed. We did so because we felt that by giving the collective responsibility for the decision to cabinet and the Prime Minister, the purposes as spelled out in clause 4 would not be compromised but would be carried out in a good way.

• (1630)

Another point of disagreement has to do with the role of the Environmental Assessment Agency. This is a very important area of disagreement. The proposed federal environmental assessment and review office, which we had in the past, is now being turned into the Canadian Environmental Assessment Agency, which will promote uniformity and harmony, conduct research, environmental assessment consistent with the act, and ensure opportunity for public consultation.

We in the Liberal Party support a different approach for this agency. We want and are committed to an independent agency that has a legislative mandate not only to administer but to enforce the federal environmental assessment process. This agency would report directly to cabinet in the same way that the National Research Board does, or the CRTC, the Canadian Radio and Television Commission.

The proponents would prepare the initial environmental assessment of the proposal and submit the report to the agency for a review. After being satisfied with the scope and content of the assessment report and so on, the agency would have the authority to approve the initiative or refer it to mediation or a panel for public hearings or deny the approval.

I will spare you, Madam Speaker, the various steps that we have envisioned for this agency because of time limitation. It seems to us that this agency should have the same status and the same powers as is given to the National Energy Board and the CRTC so that it can fulfil its mandate fully. When necessary, when cabinet approval is required, the agency would review the proposal, express its opinion to cabinet which then has of course the final and ultimate responsibility to approve or reject the proposal or, if it wishes, to constitute an independent panel to hold public hearings. Should the cabinet in the end approve the proposal, the opinion of the agency or the panel would be made public with the announcement of the cabinet and the public would know. The whole process would be out there in the open with the ultimate responsibility, of course, on the political masters who are the elected representatives and who should be responsible in the end.

That would be the Liberal alternative.

Finally, on the point of disagreement, we on the Liberal side believe very strongly in the creation of a commissioner for the environment, or a federal ombudsman if you like, modelled on the very successful New Zealand experience. This commissioner would be given the power to review the implementation of the environmental assessment process, report directly to Parliament, and therefore through Parliament to the public, to Canadians. It would have powers of investigation similar to those that are invested in the Auditor General, or expand the mandate of the Auditor General to include this kind of responsibility. You can see that here there is a convergence of responsibilities which would well serve the public interest, I submit to you.

Moving on, I would then try to pull together some of these thoughts by saying that we all know, at least in theory, although not in practice, that the integration of the environment into the economic decision-making process is of enormous importance. The failure of having done so this far has created the mess that we now face. I will not elaborate on the various aspects: acid rain, toxic contamination, ozone depletion and climate change.

We want to protect future generations from the staggering cost of clean-up of pollution in comparison to the relatively modest cost of examining and changing proposals a priori to ensure the prevention of environmental harm. In order to do that, we have to apply a comprehensive and effective environmental assessment. We cannot escape it.

In that sense Bill C-13 begins to realize that necessity and makes a small step in that direction. This has to be done at an early stage.

There is enormous evidence through various polls that Canadians expect a sound and good process, one that will

indicate and prove that we have the well-being and the health of present and future generations at heart.

In Prince Rupert in May 1990 the leader of our party put it rather well when he said: "We must set national standards and vigorously enforce federal laws. We must also pay attention to the urgent necessity of integrating the environment into economic decision making. We must examine development projects before they are undertaken". The Leader of the Official Opposition went on to say: "I want the Department of the Environment to play the same watchdog role with respect to the environmental impact of decisions as the Treasury Board does in regard to spending impacts. A Liberal government will apply the federal environmental assessment process the way it is meant to be applied, the way Canadians want it to be applied, with full public participation".

These are important conclusions on the part of our leader. They are in contrast to the expectations that were raised and the failure to implement such expectations by the former Minister of the Environment. In June 1990 the then Minister of the Environment made an announcement. We were all pleasantly surprised by that announcement regarding policy proposals to cabinet, not just projects, policy proposals. This is quite a wide ranging statement and not just the construction of an interprovincial bridge or the widening of railway tracks or the construction of an airport. The then Minister of the Environment of the present government in 1990 went public and said that policy proposals to cabinet would be assessed for their environmental impact.

We were all cheering. We were enthusiastic. We thought this was the beginning of a new era. This was almost the environmental millennium we had been hoping for. We cannot find the evidence of that statement in Bill C-13. When we pressed the present minister on the implementation of this commitment, the present minister said that he did not have the methodology to assess policy and environmentally sustainable development.

He went on to assure us that somehow the North American free trade agreement is or will be assessed for its environmental impact. Nobody is quite clear on that aspect.

Here, as you can see Madam Speaker, we have moved from a general commitment to have proposals, government policies, assessed from an environmental point of view to a much narrower field, namely projects, what the Minister of Public Works may propose or the Minister of Transport, you name it, but certainly not the totality of governmental decisions. Of course, the difference between the two is enormous.

• (1640)

Today, in response to a question on the Order Paper, the Minister Responsible for Constitutional Affairs informed me and the House that despite the fact that the constitutional document was a cabinet approved policy document and the proposals to entrench property rights is part of that document, the minister said: "It is premature to consider the question of an assessment of the environmental impact". What is premature about that? Is it premature to make a policy statement and then to have the policy statement assessed environmentally once it has been approved? It is a very peculiar way of thinking.

It makes me conclude that conceptually this government has not yet come to grips with the implications of sustainable development. It has the capacity to theorize about it, to exhort and to promote it in theory, but when it comes to practice it falls flat.

This is why one can understand the comments made by the member for Western Arctic which were pretty incisive when she said on March 10: "The fact is that Canada's own environmental regulations have proved so far to be totally ineffective in stopping environmentally damaging projects despite court orders for federal review". The Oldman River project in Alberta and the Rafferty—Alameda project in Saskatchewan, and one might also add Kemano II, were recently built without prior environmental impact assessment by the Government of Canada.

The member went on to say: "The people of Canada want strong and independent environmental legislation which must bind government." She went on to say: "My party is committed to the concept of an Auditor General of the Environment which would provide a buffer against the crass, political manipulation which presently occurs in Canadian environmental review processes". She is dead on and I congratulate her for having made that very

strong and courageous statement. That assessment, unfortunately, is accurate. It is true.

I submit to you that if in this Bill C-13, not the proposing minister, but the entire cabinet were to be made responsible for that decision then these incidents to which my colleague from Western Arctic refers would not likely happen or would be much less likely to take place in Canada. This is the relevance of her statement in the context of the debate here today. I really applaud her statement because it is dead on.

Yesterday, we talked about the enormous loophole in clause 37. I must say that reality is with us now. It is not good to have a bill in which the minister can proceed even in the knowledge that significant adverse environmental effects could be the consequences. Therefore, the project can be justified in the circumstances. This obviously gives a strong political stamp of approval which should not have been allowed to be given. It is not good legislation from that point of view and it is unfortunate because it weakens the credibility of the bill.

I refer also to the review of the legislation after five years. As you know, we debated that point earlier. We had three different approaches to it. They all focused on how, five years from now, we should examine the good and bad features of the bill and make recommendations.

The compromise solution of the government that emerged is silent on the fact whether or not the public will be a participant in it. Let us hope that the minister of the day will include public participation in the process very early, rather than leaving it to the discretion of the minister.

I would like to make a reference to the collective responsibility but I would be repetitive on that because I think I stressed the point, too much perhaps. As to the delegation of responsibility, giving authority to an agency or an individual or a body to carry out an assessment, the bill is silent as to whether the minister can revoke such authority. But on that I must say the parliamentary secretary yesterday gave a very thorough and convincing reply.

In conclusion, and making sure that one does not become repetitive, I would say that we have here a measure that does establish a federal environmental assessment process. It claims to be within the intellectual framework of sustainable development. Unfortunately I cannot see it that way.

I hope that despite the weaknesses of the bill, the purposes set out in clause 4 will be implemented not only in the letter but also in the spirit. I hope that the loopholes will not turn out to be as large as they seem to us to be at this stage.

It will be good to have this legislation proclaimed as soon as possible so that we will be able, in 1997, to review it and draw from the lessons of the five years the conclusions that are necessary to make it a truly sustainable development measure.

[*Translation*]

Madam Deputy Speaker: 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 Scarborough—Rouge River—Human Rights; the hon. member for Don Valley East— Shipbuilding; the hon. member for Bonavista—Trinity—Conception—Fisheries; the hon. member for Drummond—Cross-border shopping; and the hon. member for Prince George—Bulkley Valley—Lumber industry.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, as has been said at report stage, the environmental assessment bill before us today is the single most important piece of environmental legislation ever to face this country.

The bill represents a significant step forward from the existing environmental assessment legislation under EARP. It reflects a great number of changes presented not only by myself and my New Democratic colleagues but also members of the environmental community as well.

The bill is not perfect. We said that at report stage. It is not the bill that we would write if we were on the other side of the House. It is not the bill that I would write if I were the Minister of the Environment, and it is not the bill that I would expect if my colleague from Skeena were the Minister of the Environment in a New Democratic Party government.

Some of the problems with it are not known and will only be discovered through years of working with the new law.

• (1650)

The government's acceptance of my suggestion for a five-year review or at least the pieces of the proposal that I put together for a five-year review go a long way to ensuring that in the future some of the unforeseen problems can be addressed. Some of the problems are obvious even now, and I hope to have the time today to mention some of them.

My New Democratic Party colleagues and I are committed to improving this act and the process it outlines for environmental assessment.

The bill still tends to reinforce the primacy of development over the environment, and thus reinforces the old trade-off between development and the environment, a trade-off under which the level of environmental destruction demands that we do away with it.

Environmental legislation in Canada should be far-reaching and ensure that environmental considerations are accorded the importance they deserve. Bill C-13, even with all its improvements, still comes up short in this regard.

Let us outline the elements of the legislation dealing with environmental assessment as to what they should include. What are the ingredients to developing an environmental assessment process that will truly aim at preserving and enhancing the environment for our children?

It must be reviewed by an independent agency, resulting in a final and binding decision. It must contain a broad definition of environment and must apply universally to a variety of initiatives, including government policy making.

Discretionary decision-making within the assessment process must be minimized and the accountability of those decision makers must be ensured. Proponents of undertakings must demonstrate that the purpose of the project is justified and that there is an environmentally acceptable need for the undertaking.

Proponents should prove that their undertaking is better than alternatives to their proposal in terms of environmental protection. There should be a significant public role early and often in the planning process and thus must contain provisions relating to public notice and comments, access to information and participant funding.

The final decision must be implementable, enforceable and subject to terms and conditions where necessary. Future monitoring of the environmental impact of projects, especially when combined with other projects and activities, must be accounted for.

The government, in response to pressure I believe from our side of the House and many representatives in the environmental movement, did respond to amendments which moved us closer to environmental assessment legislation which incorporates many of these needs. Others were fudged and some were ignored completely.

Yesterday and earlier today during report stage discussion, the government had the opportunity to respond to the right of Canadians to a safe and healthy environment. It could have accepted amendments which would have allowed for regulations to be reviewed by this House. It could have adopted an amendment which would have insured that this piece of environmental assessment legislation was thoroughly reviewed every five years and not just once five years hence.

In fact, during committee discussion, the minister and other government members said time and time again how important the regulations are to this bill. Yet when it came time for public scrutiny, it decided that it could not happen.

The government often mentions that this bill deals with a very new process and we will not know many of its weaknesses until it is put into practice. The acceptance by this government of an amendment calling for a five-year review does go a long way to putting a mechanism in place to address many of the weaknesses.

While environmental assessment needs to be enshrined in federal legislation, there remains a weakness right at the beginning of the bill. The government refused to include wording in the preamble of the bill which would have reflected the constitutional authority of the act. Including a peace, order and good government clause would have given the bill the stature it is due, providing certainty as to the constitutional basis of the act.

Unfortunately, this omission may open the door for more and more court challenges on behalf of provinces trying to attract industry and sacrifice the environment in the process. The Canadian Environmental Law Association states: "The failure to do so causes us to question the government's profane commitment to achieving a

new and meaningful environmental assessment program for Canada."

The New Democratic proposal to include an environmental auditor was also not included in this bill. The government should move on this matter independently as quickly as possible. An environmental auditor can be established in independent legislation and would go a long way to protecting the environment, allowing for a proper monitoring of the policies and projects of the federal government and putting Canada in the lead internationally on issues relating to environmental assessment.

As Mr. Ian Motherwell, assistant general counsel to Ontario Hydro said during committee hearings: "Doing an environmental audit of anything in the environmental area is a beneficial concept".

The government also had the opportunity to protect the environment by ensuring that mitigating measures to deal with ways in which the environment is harmed by some undertaking were strong and effective. However, this bill still may allow for environmental harm to occur and let be dealt with by a pay-off. By leaving compensation as one of the options for mitigating environmental damage, the government is allowing megaprojects like James Bay to proceed as long as money is paid out to compensate for the damage. Cash does not compensate for environmental destruction.

Under the purpose of this act, the government also refused to require that the responsible authorities take action to promote sustainable development. By leaving it as encouraging responsible authority, the government once again caved in to business pressure to put forward a weaker bill than they could have. The preamble should have focused on environmental quality and not played the developmental environmental trade-off.

As Mr. Gertler, chair of the national environmental law section of the Canadian Bar Association said to the committee concerning the preamble: "It should say something like whereas, the government of Canada seeks to protect and enhance environmental quality. After all this should be the primary goal and focus of an environmental assessment regime".

The government also missed an opportunity to be crystal clear that this bill sets out to protect Canada's environment. I submitted an amendment which would have spelled out in the purpose of the act, a requirement to ensure that no project is allowed or assisted by any federal authority unless and until the proponent has demonstrated the project will cause no significant adverse environmental effects or will promote sustainable development.

The government had the opportunity to ensure that when screening is done the purpose of and need for the project were considered. The government also refused to ensure that alternatives to the project were included at the screening stage of the process.

On the other hand, they went a long way in accepting our amendments to ensure that alternatives to a project and the need for a project are explored at other levels of the assessment process.

There is still a lot more work to be done. The government knows full well the damage done to our earth, the communities in which we live and the air which we breathe has already been damaged irreparably to some extent. The government knows that no policy or undertaking or megaproject should be given the green light if it is going to harm the environment.

Professor Robert Gibson from the Faculty of Environmental Studies at the University of Waterloo has stated: "Environmental assessment requirements must impose a test well beyond the usual regulatory demand that proposed undertakings meet specified standards for environmental acceptability. The expected results should not be merely acceptable undertakings, but undertakings that are the most appropriate and positive means of responding to a recognized problem or opportunity. They should be, of all the practical options, the ones most in accord with the principles of sustainability and broad public interest".

The federal government also refused to move on the New Democratic Party recommendation that policy itself should undergo environmental assessment. Specific projects and undertakings are usually done in the context of federal government policy. If this policy itself flies in the face of environmental protection, then there can be no question that time after time, projects and undertakings

will be proposed that would harm the environment, sometimes in minor ways, sometimes significantly.

For example, the government's lemming-like drive to hurl itself off the cliff of international free trade agreements speaks to the need for federal policy itself to undergo environmental assessments. Free trade with Mexico is part and parcel of the industrial world's ongoing move to develop an international division of labour and production. This ongoing form of so-called development treats the Third World as not only a pool of cheap, easily exploited labour, but as a pollution haven encompassing most of the globe.

I see you signalling, Madam Speaker. I hope to continue when the bill is called again.

Madam Deputy Speaker: Of course the hon. member will be able to continue.

[*Translation*]

It being 5 p.m, pursuant to Standing Order 30(6), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Mr. John Manley (Ottawa South) moved that Bill C-322, an act to amend the Parliament of Canada Act and the Canada Elections Act (change of political affiliation) be read the second time and referred to Legislative Committee G.

He said: This private member's bill, Bill C-322, presents to the House a very simple proposition for consideration. That is that members of Parliament who choose to leave the party affiliation under which they were elected to this place or who choose after having been elected as independents to take on a party affiliation, should be required to put that important decision to what essentially is a ratification vote by their electors through contesting a by-election to be held within 90 days of the date on which they change party affiliation.

Now this is something that has arisen really in my case as a result of many interventions made to me on the part of constituents who expressed great concern of the fact that members of Parliament, once they arrive in this place, seem to feel that they are not accountable to their electors for their party affiliation and that they can, at will, choose to sit on either side of the House, either with other parties or as independents, without consulting their electors.

I have done a little bit of research on this. I have discovered that in recent years there have been not an insignificant number of occasions on which members of Parliament have changed party affiliation.

According to the research that has been compiled for me by the Library of Parliament since 1940 to date, we have had 56 members change party affiliation. Some of them have crossed the floor, some of them have sat as independents, some have indicated very privately what their intention is through telephone calls and so on.

Many of them have perhaps disappeared into history with no other footnote beside their names than the fact that they did change parties. Others are quite well known, I am sure, to most Canadians. Some have distinguished themselves in their new parties; others have not. I suppose of all of the British tradition of parliamentarians who have changed parties and have done so on a matter of conscience to great distinction, none is less notable than Sir Winston Churchill who, I understand, changed party affiliation on two occasions.

In raising this matter before the House, I am in no way suggesting that a change of party affiliation is a wrong thing to do or that it should never under any circumstances be countenanced or that members of Parliament should be obliged to ignore their conscience and the will of their electors and simply toe the line offered to them by party leadership.

On the contrary, I am recognizing by proposing this bill that indeed the conscience of a member of Parliament is a very important thing.

There are circumstances in which a change of party affiliation subjected to as I call it, a ratification vote by the electors of that member of Parliament, rather than playing as some have suggested into the hands of the party leadership by acting as a deterrent to changes of party affiliation, may in fact provide an independent-minded member of Parliament with a tool to encourage greater responsiveness on the part of party leadership by

virtue of the fact that the member believes that his or her electors will undoubtedly uphold the decision of changing party affiliation.

The essential issue is that in modern Canadian politics the choice of who to vote for is one which Canadians make on the basis of a variety of considerations. When they enter the polling station and put a mark on the ballot, they bring into play a number of considerations, certainly the issues that have been debated both nationally and locally in the context of the campaign.

Of course, they consider the individual candidates who present themselves in that constituency for election. They may consider a variety of other factors that come into play. But a very important one for each elector in Canada is the party affiliation that the candidates on the ballot bring with them.

The political scientists have told us and sometimes as individual members of Parliament we do not like to hear this, that in fact, as individuals we may sway as little as 10 per cent of the vote in any given election campaign. Some have said less, some have said a little bit more.

I know we all like to think we have been elected on our own merits. But it seems that most Canadians probably consider very heavily the issue of party affiliation and perhaps the leader of a party in coming to decide who to vote for.

The proposition I am putting to the House in this bill is very simply this. If an individual member of Parliament decides on his or her own account for whatever reason, be it conscience, disagreement with the leader, disagreement on a point of principle, that that member of Parliament must change party affiliation, renounce the affiliation under which he or she was elected, then that decision should be approved or disapproved by the electors of the district from which that member has come.

It should not be left entirely open-ended. As we know under the Elections Act, there can be a very long delay between the time of a vacancy in the House of Commons and the calling of a by-election. I have therefore suggested in this bill that in these circumstances, and I happen to believe in others as well, the by-election should be held within 90 days of the vacancy.

That deals with a couple of things. First of all, it relieves some of the uncertainty that would otherwise be upon a member making this very important personal decision to change party affiliation. There is at least an understanding that within a finite period of time, a reasonably short period of time given the difficulties of holding by-elections, that that vote will be held. The member will either be returned with his or her new or perhaps no party affiliation or at least a verdict will be delivered.

Second, it imposes on the party leadership an obligation to consider very carefully the views of a member of Parliament who has come to this very important decision in that member's political career, namely of changing party affiliation.

Surely if that member can be returned with no or with a different political affiliation, that in itself is an embarrassment to the party leadership. It suggests that before letting a member leave, to go out on an adventure such as this, the party leadership should make every effort to take into account the point of view of that individual and also take into account the views of the constituents that person was sent here to represent.

In the final analysis, we are here fulfilling a number of very important functions as members of Parliament.

• (1710)

I am not one who believes that we are simply here as delegates, sent by our electors to vote without regard to our own point of view, opinion or conscience. On the contrary, I believe that when we act in the House of Commons, in committees, in our caucuses, we must bring to bear not only our own points of view but also our understanding and judgment based upon the work that we invest in understanding important public policy issues, as well as the views of our electors.

I believe that our first obligation as members of Parliament is to try to influence our own party caucuses on policy issues.

That being said, there may well come a point in time where our conscience dictates that we disagree in a very fundamental way. Frankly, there has been much written—and this is not the point of this bill—that we in Canada have gone too far in promoting a view of party discipline which is extremely rigid. That is another issue and I think that there can be many reforms brought about along those lines that will create fewer situations

in which people feel compelled to leave the existing party.

Some may disagree with this but I believe that the measures I have proposed will further the cause of greater independence of members of Parliament as individuals. It does provide a means clearly sanctioned in the law for them to withstand the pressure and have the support of their electors on important issues of conscience or public policy.

The proposition is very simple. We are here to represent the people who sent us here. They have chosen us, perhaps in some cases because of wit, intelligence, or other reasons. Somebody across suggested good looks. I do not think it was directed at me; I think it was directed at the member for Western Arctic, from what I could gather. But whatever the reason, in most of our cases, I am afraid, the party affiliation and the positions that our parties have taken on issues in general elections have been key to the decisions that our electors make when they go into the polling station.

That consideration being so important, it is very simply my view that if our democracy is truly to work well then on this all–important crucial matter of party affiliation the change between elections should receive the ratification upon consultation of the electors of a member's own district.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Madam Speaker, I listened very carefully to the hon. member for Ottawa South and what he had to say about his Private Members' Bill, Bill C–322. I welcome this opportunity to speak in this debate, and this is not to say that the hon. member's concept is a negative one. In fact, I think it is very interesting, but I wonder to what extent the philosophy of this bill is in line with our parliamentary tradition, with the Canadian Charter of Rights and Freedoms and the criteria that are already provided by law when a Canadian decides to stand for election at the federal level. These are points we must consider when we analyse this bill.

I agree with the hon. member that when one takes the trouble to run for a given political party, to a certain extent one has to support the party's campaign platform as well as the party's leader and policies, because of the British parliamentary system. And according to the rules of this particular game, the more elected members one has, the better one's chances of forming the government, and vice versa. In our parliamentary system, our political affiliation does limit our independence.

But this hardly means that once a member has been elected under a party's banner, he can no longer think for himself, no longer disagree with his party or with a government policy and that otherwise the House of Commons will force a member to resign his seat so a new election can be called. I think that is going a bit too far.

First of all, this goes against the Canadian Charter of Rights and Freedoms. What about freedom of association and freedom of expression? Do we want to further restrict the freedom of expression of parliamentarians? I think debate is healthy, and if for some reason a member, whatever his convictions, wishes to cross the floor of the House, the only possible sanction should come from his constituents when an election is called and they let him know whether the parliamentarian made the right choice.

I do not think this kind of legislation would make it any easier for members to work effectively. We are elected to this House to work to the best of our ability and serve certain principles we believe to be right and also to serve the interests of our constituents. When we are elected in an electoral district, we do not necessarily need an absolute majority. Often we can win with 2, 3, 4 or 5 per cent. There are always plenty of people who do not share our views. If people do not have to agree with the member they elected, why shouldn't the member be allowed to have opinions that go against the principles of his party and his government? Why, in a democratic system like ours, should we prevent a member from changing his mind or changing his seat, because he wants to work with a new political party or even create his own? Why should we prevent him, just because he was elected under a given political banner, from taking this kind of action, when freedom of expression is one of the foundations of the Canadian Charter of Rights and Freedoms?

Freedom of association is one of the cornerstones of our charter. We must never forget that. I think that the hon. member, well-intentioned though he may be, should realize that this is not just an amendment to the Parliament of Canada Act or the Canada Elections Act. It would be a constitutional amendment. We could not exclude a group from the charter just because they are parliamentarians, because they were elected under a political banner, and we can not do that because we cannot predict what will happen in the future.

Who knows? In two or three weeks maybe a new political party will be formed, and maybe I will not like its philosophy. I do not know what will happen, any more than the hon. member, which is why we have freedom of expression, the basic right of every Canadian.

We fought to maintain this principle and include it in the Constitution. Are we going to jettison it today? I don't think so. We cannot do that, because if we start telling members of Parliament they do not have the right to cross the floor once they are elected, we are taking away their freedom of expression and freedom of association. First, members of Parliament—and where will it all end? That is the problem I see in the hon. member's arguments, and that is why I object to this kind of legislation. The political implications go far beyond a member's affiliation to a party, and, in fact, they go against the Charter of Rights and Freedoms.

That is why, as the member for Champlain, as an elected representative who believes in the value of freedom of expression, I must inform the hon. member that I am not in favour of this bill, and if there were a vote, I would vote against it.

[*English*]

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I appreciate this opportunity to rise, albeit for a short time, to discuss Bill C-322. The member has basically pointed out that if an elected member of Parliament crosses the floor and joins another party there should be a vacancy and he or she should run for office.

• (1720)

I rise to support the spirit of the bill and the idea behind it. I actually want to congratulate the member for his candour in this regard. Certainly one could see it as a vicious attack on one of his colleagues, the member for Edmonton Southeast. Whatever is going on in the Liberal caucus, the dissent there or whatever, this may be part of a drive to run one of its members out of its own caucus. I am not sure if that is the intent of the member, but it may be indicative of—

Madam Deputy Speaker: I must interrupt the hon. member. He is imputing motives, and I do not think that this has its place, especially in private members' hour. It is not allowed during Question Period and I cannot see how it can be at this time.

I would ask the hon. member to withdraw and continue in another line, please.

Mr. Gardiner: Madam Speaker, I think the member's bill is pretty clear. I am really citing from my experience in British Columbia. We have had a tremendous amount of experience with this particular situation. I will withdraw if the member thinks I am suggesting something negative about an attack on his own colleague. But I can say very clearly that we from British Columbia have had a lot of experience with Liberals on this kind of deal where they have crossed the floor from different parties and the appalling approach they have taken to representing their electors and the views of voters in their ridings on it.

We have had some experience with this and it is not good. That is why I am so concerned about this issue. I think the member certainly did a bit of research on this, but he could have taken a look at the track record of his own party in this regard.

When we are elected to our Parliament and to our legislatures, it is important that we indicate as fully as we can to our constituents where we stand on our views. Members belong to different parties for different reasons. They get elected on a platform and they get elected on their ideas. We now have a proposal which I said I support in spirit, but I am expressing some concerns because of the experience we have had in this regard. I had hoped that we would take a look at how this might have applied historically.

Let us take a look at the experience we had in British Columbia. At one time a dramatic change in policy and direction was taken when in fact three Liberal members of the provincial legislature—Mr. Garde Gardom, Allan Williams and Pat McGeer—joined the Social Credit Party and really changed the course of political history in British Columbia. It is perhaps a big example of what the member is getting at. In that case those three Liberals

really changed the face of politics in British Columbia at that time.

We have had other members in this House who have crossed the floor, some to sit as independents, some to maintain their party label but to be considered independent. We have had a group that has left other parties in this House to pursue the whole question and notion of an independent Quebec.

I think the member may have thought this was an innocuous idea and a wonderful pious idea, but I think he has touched a raw nerve because of the experience that many of us have had with this view. I can tell the House how people feel in their constituencies when the person they elected on a certain set of values says: "To heck with you, I don't believe that any more. I am crossing the floor and sitting with a different party".

I think the member is right. I think this bill should be allowed to pass so that those people who have done that can go back to their constituents and put their case. They may get re-elected in that new position. As the member said—he is quite right—we can do that, but I think those elected persons, those politician, owe it to their constituents to go back and say why they crossed the floor and why they changed their party affiliation, and to account to their constituents for that.

If I tallied it up we probably would have had seven to ten by-elections by now in this House if this bill had been passed. It might have been okay for Canadians to see the exact intent of this bill and how strongly those members felt about their views on different issues. It might have been okay for them to be required to go back to their constituents to account for the change. I think the member has raised that important issue with this bill. If we take a look at the political history of British Columbia, what the Liberals did there in joining with the Socreds, we see that it changed the face of politics in British Columbia. I wished at the time that those Liberals had resigned their seats and had said: "I am not a Liberal any more. I am really a Socred". Socred, Liberal, Tory are all the same anyway. However, it changed the face of political history just as we might have in this House with the number of members from the Liberal and Conservative parties who have left their parties and continued to sit in the House.

I think they owe it to their constituents and to Canada, if they are going to do that, to resign their seats, run in a by-election, be accountable to their constituents and recognize their views. If they can win the day again in a by-election, so be it; back into the House they come.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I want to start by saying that I have the deepest respect for my colleague from Ottawa South.

One of the most amazing things within the Liberal Party is that we can openly debate and have differing points of view. That should not generate a situation in my view where because we disagree we necessarily would have to take an independent course.

Even though I agree with the spirit of where my colleague is coming from in the sense that he is trying to generate much more accountability to his constituents, I personally do not think that this bill will serve that purpose. I agree with my colleague from Ottawa South that when we are running under a party banner and are really aggressive in our campaign we might be responsible for probably not more than 5 per cent of the vote. I agree with my colleague on that particular point. Therefore, if we are running under a party banner we should realize, if elected, that 95 per cent of the reason is probably because of our leader and the party.

When we come to the House of Commons there are moments within our party caucuses when we are debating issues on policy. It could be anything from constitutional debate to tax reform. I believe there are times when we may have profound disagreement. Some of these disagreements develop after we have been elected because policy is an evolving situation.

I would be a little concerned that if this bill were to pass it might cause too much timidity. There might be an apprehension on the part of members to really go to the wall in their own caucuses.

Listen, it is is no secret. In every caucus in the country there are Whips. Sometimes when you do not fall into line they change your seating or you are not put on Question Period or they try to send you a signal that you are not necessarily following the party line. You might agree with 75 per cent of the other party policy, and because you have a particular disagreement on that one issue you should not be put into a position where you are basically an independent. If this bill were to pass, it could

make life almost unbearable for honest debate from within a party. If the party basically decided that you were on the right track, it would say: "Never mind your conscience. This is the party line. If you don't agree with it you are gone; you are an independent".

• (1730)

Then you have to go back to your electorate 90 days later. Sometimes when members of Parliament make a decision to disagree with their leadership and even if they take the route of being independent, the judgment of their decision or the realization of what they are trying to achieve might not register to the electorate for a year or two down the line.

The full meaning of some of the differences that we have in here are not realized. Let us just take, for example, the government's position on the GST. The government has taken a position which obviously we on this side of the House disagree with. We believe that this is a regressive policy measure. I am sure there are Conservative members over there who are saying: "Gosh, I would like to be an independent. I would like to cross the floor because my constituents do not necessarily agree with the leadership of my party in this tax thrust that it has taken us into".

They are basically telling their constituents: "Let us wait and see, because we believe that over 18 months or in two years it will be a good thing for Canada".

With all the deep respect and feeling that I have for my colleague from Ottawa South, and I tend from time to time to have differing points of view, I think that I would be a prime candidate for someone who might be a little bit independent. The next thing you know, I would have to go out and face a by-election and in 90 days, taking on all of my colleagues, I do not think I could ever make my point.

If we follow the logic of the member's point that you are only responsible for 5 per cent of the vote, it would seem to me that if we followed this course to its natural conclusion, if I became an independent or if I was kicked out of my party and I had to go to the people 90 days later by this law, I probably would not be back here.

Again, I repeat that in the Liberal Party we can have these open debates in the national boardroom here of the House of Commons. I know that he will not take this personally, but on this particular bill, I cannot support my colleague.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Madam Speaker, I find this a very curious bill to be sponsored in private members' hour by a private member of the House of Commons.

If it had come from one of the party whips, I could better understand its intent. When the hon. member for Ottawa South says as he did 15 minutes ago or so that party discipline is another and separate issue, I entirely disagree.

This bill has everything to do with one of the serious problems that is strangling this place, and has been for several decades. I am referring to the rise of partyism in Parliament. This bill which goes straight to the very norms of our political behaviour in the House of Commons would require that a member resign his or her seat, that it be declared vacant upon sitting as an independent or crossing the floor to another party and that there be a by-election within 90 days.

When I heard that and heard the member for Ottawa South saying that this would then be a ratification vote by the electors of that MP's decision, it took me back to the days of Sir John A. Macdonald. Whenever a cabinet minister was appointed, they had to get re-elected because they had assumed an office of profit under the Crown. They had to go to the people to get that kind of ratification.

That was such an encumbrance on this place in those days that they found all kinds of inventive ways to get around it, including one famous time, the double shuffle when everybody was moved from one portfolio to another to avoid going out to these by-elections.

It reminds me in another way of what Sir John A. was all about when he was trying to round up what he called the "loose fish" who swam around here in the House of Commons. The "loose fish" were the people who were not necessarily aligned with any one of the political parties. He wanted, as he was then building a national party, to bring everyone inside the comfortable ambit of that party. That was fine in the late 19th century when we needed to create national political parties. In the late 20th century the role of the political parties here in the

House of Commons has gone so far, it has gone too far, that this bill is the ultimate statement and indeed the ultimate denial of our role as intrinsic and authentic members of Parliament. This is the quintessential statement of partyism in Parliament.

At this time we are trying to get a debate going in Canada between two different concepts of what an MP might be, perhaps the Burkean model when we come here and give only to our constituents the benefit of our best thinking and our conscience or on the other hand the Jeffersonian model where we come here as delegates from our constituents to do their bidding here in our national Parliament. When we are trying to sort out between those two schools and perhaps come up in fact with a synthesis or a blending that is appropriate to Canada at the end of the 20th century, what do we get here in Private Members' hour? We get a bill that says that the minute that I would decide to sit as an independent, or anyone else here, or to cross the floor, we would have to go and have a by-election and the country would be put to that expense.

Being the bookish kind of guy I am, I looked in the book by John McMenemy, *The Language of Canadian Politics* where he defines what crossing the floor means. The author has a rather stark description of this event. He says: "It is an act by which a legislator leaves his or her party and sits across the floor from former colleagues as an independent member or as a member of another party. This action results from an irreconcilable difference between the member and his or her former party leadership and it is usually preceded by obvious signs of disaffection. It is a rare event for a member to become an independent because elections and House procedure, including recognition by the Speaker to address the House, are based on party affiliation. It is uncommon for an independent candidate to win against party-affiliated candidates. It is also rare for a member to change parties because though the person may be welcomed to another party, he or she might not be re-elected as a candidate of the new party".

It is evident that what we are discussing here is a very serious matter for the member who crosses the floor.

The member for the New Democratic caucus a few moments ago was referring to the member for Edmonton Southeast. I would like to pick up on that point from a different context. The member who is sponsoring this bill said he had done a little bit of research on this subject. So have I, Madam Speaker.

When I was first elected here, the member for Edmonton Southeast had been elected as a Progressive Conservative and then he sat as an independent. Under this bill that would institute a by-election. Then he came back to the Progressive Conservative caucus, a second change and a second by-election. Then we went through the general election of 1988 and then for the third time he left and sat as an independent, a third by-election. Then he left being an independent and joined the Liberal caucus, a fourth by-election.

I can almost see where he is sitting there, two seats to the left and two rows in front of the hon. member for Ottawa South. This is what the cost of his general election in 1988 was, costs incurred by Elections Canada for Edmonton Southeast, $276,602.67. That includes the printing, the preparation of lists, the rental of polling stations, the printing of the ballots, all the notices, the fees of the returning officers, the assistant returning officers and staff.

I have heard the member for Ottawa South speak eloquently in this House about fiscal restraint and national finances. I have been impressed by his message. I suspect that on this bill he has not taken the effort to look into the financial consequences of what he is proposing. In the case of the member for Edmonton Southeast alone, the taxpayers of Canada would have had to spend over $1 million to fulfil the obligations under this bill as this member for Edmonton Southeast was earning his place in the Guinness *Book of Records* of taking the most circumlocutious route to ever cross the floor of the Canadian House of Commons. That figure of over $1 million for the necessary four by-elections that would be required by this bill is only the cost of Elections Canada. It has nothing to do with the party costs that would have been incurred in those four votes.

• (1740)

It seems to me that this bill is an attempt to penalize a member for what is probably one of the most difficult decisions of his or her political life. A private member does not leave the party fold lightly nor join a new one

without being fully aware of both the personal and the political consequences.

We all know that there are occasions, however, in the life of a politician when the dictates of conscience must be followed and difficult decisions made. That is the issue here. That is what the member for Broadview—Greenwood was referring to when he spoke about the conscience.

Many times when I have had differences with the government, people have asked how I could continue to be a supporter of the government. I said: "It is very simple. I put my country first, my constituents second and my party third, in that order". This bill is a total denial of that order of priority I have established and I will live with and fight for the right to continue to live with.

In conclusion, just consider a further implication of this member's bill that would require a member who sits as an independent to be involved in a by-election instead of being here.

Last November I found that I was in an irreconcilable position with the position being taken by the Minister responsible for Constitutional Affairs because last May the government which I seek to support had announced in the Speech from the Throne its decision to bring enabling legislation before this House to permit the men and women of Canada to participate directly in the process of constitutional change, in short a bill for a national referendum or plebiscite on the Constitution.

I was delighted by that because since July 21, 1988, I have had such a bill before the House of Commons and I believe that is yet going to be done. It has to be done for the future of our country. Therefore, I sought to support the government and the minister.

By November when I saw his delays and change on that policy, an attempt indeed to reverse the policy of the government, it put me in a position where I had to ask:. "For what conceivable reason do I still sit here and support the government on that issue?" I gave very careful thought to sitting as an independent Progressive Conservative member of this House. In thinking about it and taking advice I then realized that the important thing to do was remain within the caucus and join the issue with those who were opposing the full and necessary role for the Canadian people in ratifying the process of constitutional change. For that reason I decided to stay in the caucus for the time being to deal with this issue.

I conclude with this point. If the bill of the member for Ottawa South had been in place at that time and I had chosen to sit as an independent member and deal with the issue that way, I would not have been able to be here on the floor of the House of Commons where I have been sent by the electorate of Etobicoke—Lakeshore to deal with that very issue which is of great and transcending concern to our country.

Where would I be? Because of the bill of the member for Ottawa South, I would have been out on the hustings in Etobicoke—Lakeshore fighting a by-election when that issue was going here without the representation in caucus and elsewhere where I felt it needed to be.

I think this is a strait-jacket on the role and the conscience of independent members of the Canadian Parliament and, therefore, deserves to be defeated.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker we may agree or disagree with with the bill but this is one of those few occasions when we actually have a real private members' bill in this House. I see members from various political parties speaking profoundly on this bill, sometimes disagreeing with members within their own caucus and, in fact, speaking very profoundly on how they feel about the issue.

To Canadians watching this debate today, I think there is some comfort to be had from what is going on right now. This is how private members should work every single day in the House of Commons. Members of Parliament should look in good conscience to what is proposed by a colleague and say whether he or she likes it or not and give the reasons, instead of rising as they do from time to time during private members' hour, and reading a text which sure looks like it was prepared by a government department, or minions inside some government department. Today we have not seen that. We have seen members participate. Obviously they have done their own research and have had few notes. We have seen them reading from library books and so on and speaking, all around, very eloquently about the issue at hand.

I don't think there is any doubt what is intended here. It is trying to make members of Parliament more responsible and responsive to their constituents who sent them here. That is indeed very laudable.

I do have grave concerns though about the proposal myself. My concerns are as follows:

[*Translation*]

When they elected us to the House, our constituents expected us to speak on their behalf, to inform this House of their grievances, their needs. They elected us because they wanted us, as individuals, to sit in the House of Commons. Because of our political affiliation? Yes, partly, but to what extent? It is impossible to know. Because of our personal experience? Some of us had been elected to some other office previously. This is my case, I was an MPP, I sat on municipal council for a number of years. Others have different personal experience. Finally, we are elected for our stand on some issues. Is the candidate for or against a major project within a given riding? Is the member, or rather the Liberal candidate, for Glengarry—Prescott—Russell in favour of a new bridge in the riding? What is he advocating on a given subject?

It is based on all these considerations that constituents choose to elect or to reject a given candidate.

[*English*]

Having said that, we parliamentarians in the House of Commons are faced with the situation where a member may cross the floor. It is not something that happens very often, considering the number of people in this great chamber, but it does happen from time to time. If a member crosses the floor under this bill, then that member would have to go back to the electors and ask for their consent for having crossed the floor.

I have some concerns about that proposition. First of all, we have what is known as responsible government in this country. That is not an adjective to describe certain qualities of the Prime Minister. Responsible government means a very specific thing in the kind of parliamentary system that we have, as we all know. It means a government that stays in power so long as it enjoys the confidence of the majority of members of this House. I believe it is important that Parliament be structured this way.

Let us remember what happened in the United States, for instance, in the 1970s when a certain president finally resigned from office and virtually had to be taken out of the place kicking and screaming. Under our parliamentary system, if a particular Prime Minister was no longer wanted by members of his own party to such a degree that they would be willing to risk their own seats on it, then they could collectively vote non-confidence in the government.

• (1750)

That of course would get rid of that particular government if members felt the government was that bad. It is possible under the system we have now.

This bill does the exact opposite. It structures political parties in an even tighter knit than they are already. Someone asked a while ago in a speech what happens if a political party expels a member. That is certainly a possibility. It has been known to have happened in the past. There are other concerns. What happens if a member's views cannot be reconciled with the political party? Then, some say, he or she should go back to the electors and ask permission to sit in a different caucus.

Let us extend that a couple of notches further. What happens if the particular political party has changed its views but the member has kept the same views that he or she had before? He may not have made any change at all. Why should that particular member have to resign his seat and ask the consent of the electors to continue to do what he or she was doing already?

It is a difficult situation and a very fascinating one to be discussing. I am pleased we are having this non-partisan debate. It is not a structured one in any way and is a very healthy one. Perhaps we should use this day as a model for future debates, real private members' debates.

I am concerned about anything that changes or upsets the delicate balance we have in Parliament. We as members can, by a simple majority vote at virtually any time, defeat a government in this country if that is our wish. I am not going to describe what my particular wish would be at the moment. You could probably guess that and so could most Canadians. That is not the point in this debate. We are describing the balance we have in terms of what can or cannot be done with supporting or not supporting the government.

It is a balance that has evolved over 700 years for parliamentary democracy here and in Britain. It started from the Magna Carta and has developed to what it is today. I fear that this bill, although it is a minor piece of legislation for certain people, could upset that balance. To that extent it does concern me.

In closing, let me reiterate my respect for those who bring bills like this to the attention of the House of Commons. It permits all of us to have a very frank exchange of views as we have had this afternoon and which we do not have often enough in the House of Commons. It also gives Canadians a good opportunity to see and listen to this important exchange of views.

Finally it shows as well that members such as the member for Ottawa South deserve to be congratulated. They are not fearful of bringing the heartfelt controversial issues to the House of Commons as we all should. We were sent here to take those views we think are good ideas, expose them to the judgement of our colleagues in this Parliament, and then adopt or reject them once they have been so exposed and debated.

That is exactly what we have done this afternoon. That is why I want to offer my sincere congratulations to the member for Ottawa South.

Madam Deputy Speaker: It is the first time I have seen someone who wanted to speak on a second occasion on a bill.

If the hon. member is going on article 44, I think he has read himself what it is, he cannot bring any new aspect and he is closing the debate.

There are five minutes left. The hon. member for Ottawa South.

Mr. John Manley (Ottawa South): Madam Speaker, I certainly appreciate the right of reply afforded under the rules. I would indeed want to use it in order to reply to some of the points that have been raised.

Perhaps in doing so I will address those I consider less serious first. I think of all of the points raised, surely the least serious has to be that of the member for Etobicoke—Lakeshore who cites fiscal responsibility as a reason for defeating this bill.

If he thinks we should have an eye to fiscalism as part of our parliamentary system then I suggest he propose a bill that would extend the life of a Parliament beyond five years. Perhaps if we did not have elections more than once a decade we could save a lot more money. If we did not have elections at all think of the money we could save.

I think his suggestion that we ought to take the cost of democracy into account is so typical of a Tory attitude, that you understand the cost of everything but the value of nothing is indicative of how spurious that point is.

With respect to the charter of rights I certainly beg to differ with the interpretation suggested that somehow this bill would interfere with freedom of expression or association. In no way does it do so. It simply recognizes the fact that electors vote. In fact on our ballots in modern times the party affiliation is indicated.

I suggest to the member who raised that point that if those who choose a party affiliation come here under that affiliation without considering the gravity of putting that affiliation beside their name on a ballot, they falsely represent themselves to the people of their electorate.

By far the most substantive concern raised with the bill is that it impedes the ability of members of Parliament to express their points of view. It would limit their willingness to express points of difference freely with the leadership of their parties.

The member for Etobicoke—Lakeshore said quintessential statement of partyism in reference to the bill. That may be going a little bit far but I would be very concerned if that view were commonly held.

The member for Glengarry—Prescott—Russell raised the same point with less rhetorical flourish I think and I would be concerned if indeed that were the interpretation.

I look at it this way. First of all it is in no way a repression of the right of disagreement. Disagreements can and will occur. In the context of a relaxation of strict party discipline on votes which are not matters of confidence, I am sure no one would disagree that a measure such as the one I am proposing would become a restriction on people voting against their parties.

In the current context and with the experience of the present Parliament, it has been seen that on certain matters some parties have expelled members for voting against the party on certain issues. I do not think this bill

would be triggered in any way by those who merely disagree with their party even on some important issues.

If it did result in a rupturing of the party relationship for that member, the people of that member's district would have a right to pass judgment. They can pass judgment in favour or against the member.

I think that is a contribution to the accountability of members of Parliament against the arrogance that assumes we only know what is best for our electors in this place.

• (1800)

Madam Deputy Speaker: The time provided for the consideration of Private Members' Business has now expired.

[*Translation*]

Pursuant to Standing Order 96(1), this item is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HUMAN RIGHTS

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, on February 21 of this year, following a working visit to India's Punjab state, I asked a question in relation to Canada's position on human rights issues there.

That visit to India by three parliamentarians of this House, one of whom was myself, had three purposes. One of those purposes was a review of human rights issues in the context of the political conflict in the Punjab. The full report of that visit will be made public tomorrow, but the principal findings of that visit are that the political conflict there has generated extreme violence. For example, in the last year over 4,500 people have been killed and over the last 10 years, over 15,000 people have been killed. There is also evidence of torture of detainees by the police in that area.

In the context of that violence, there is a failure by the government of India to assure to all of its citizens the human rights set out in the international conventions to which both Canada and India are signatories. I note that the government of India specifically excludes Amnesty International and other human rights monitoring organizations from India and consequently, we do not have internationally an objective standard of review of precisely what is happening there in very difficult circumstances.

I also would acknowledge that in that working visit the Government of India was most co-operative and helpful and did not impede our review of any of the circumstances.

My question for the Prime Minister at that time was answered by the minister for external relations. Asked whether or not Canada had made human rights part of its bilateral relations agenda with India, the minister replied that it does take human rights into consideration, both in terms of foreign aid and in terms of general policy. She did not answer specifically for the India situation or provide particulars.

The problem of convention human rights abuses in the political conflict in Punjab state bears relevance to Canadians in three ways. The first is Canada's foreign aid decisions. The second is whether or not the political circumstances there can generate large or larger numbers of political convention refugees. Third, is the right of Canadians to engage in political advocacy and dissent here without fear of unwarranted surveillance under section 2 of the CSIS act.

I asked whether the minister would agree to submit this issue of human rights accordance in India to the external affairs subcommittee on development and human rights. She did not provide an answer to that; I believe she should have. I believe that is precisely where this issue can and should be dealt with and I commend that to this House.

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development): Madam Speaker, my hon. colleague has raised a question of universal concern. As we all know, the Prime Minister has shown bold leadership, putting the sensitive issue of human rights on the agenda in such forums as the Commonwealth and La Francophonie. Progress has been made, and we can hope to see much more in the future.

Of course, each case is specific and involves a different set of circumstances. In this case, we are talking about human rights conditions in India and Canada's relationship with that country. We must recognize that, serious as they are, human rights violations do not appear to be part of a deliberate policy. Rather, they are the product of a society that has neither the funds nor the expertise to train and discipline the very large number of security personnel required to maintain law and order in a country as poor and vast as India.

We must give full credit, as well, to India's freely elected government for moving strongly in the direction of economic liberalization and fundamental policy reforms.

Since coming to power, Prime Minister Rao has consistently tried to de-escalate the situation, to cool passions, to reduce confrontation and build consensus. The prospects for human rights improvements thus seem reasonably good.

Canada does not support projects in Punjab or in Kashmir-Jammu. We regularly encourage the Government of India to find solutions to the difficult problems in these states.

Much of our current assistance to India tackles such human rights problems as poverty, health and women's rights.

Our over-all program with India is shifting further to strengthen our support to good governance via economic and social policy reform and greater focus on human rights.

The government's policy is to review the human rights situation on a continuing basis concerning each country receiving Canadian assistance and to take constructive action where we can. That applies to India, as to other countries, and we will certainly continue to review each case carefully.

[*English*]

SHIPBUILDING

Hon. Alan Redway (Don Valley East): Madam Speaker, you will recall, as I do, the furore that arose in Canada in 1985 when an American ship, the *Polar Sea* sailed through Canada's Northwest Passage.

Canadians at that time reacted with outrage at what we considered an attack on our national sovereignty. You will recall as well that the government reacted to that situation with three initiatives.

First of all, the government introduced legislation to clarify our claims to the Arctic, to extend our base lines as is said. Second, it reacted to remove the self-imposed ban that had been put in place by the former government against taking matters of sovereignty to the World Court.

Third, it reacted with a decision to build one of the largest, if not the largest, ice-breakers in the world, the Class 8 ice-breaker, *Polar 8* in order to reinforce Canada's sovereignty in the north.

That Class 8 ice-breaker, as you recall, the *Polar 8* was to be built at a cost of some $650 million. Unfortunately, the project had to be cancelled because of budget and deficit problems, but not before we had already spent some $30 million on designing that particular ice-breaker.

Almost simultaneously, at the time all of this was happening, Canadian naval architects in Calgary designed and then subsequently directed the construction in Sweden of a Class 7 ice-breaker known as the *Oden*.

Then last year on September 7, members will recall that the Oden reached the North Pole. In fact, it was the first non-Soviet ice-breaker and the first non-nuclear vehicle of any nationality to reach the North Pole.

That Oden, a Class 7 ice-breaker and just one class down from the Class 8 that was going to cost Canadians some $650 million was designed and built for a mere $55 million.

Canada, on the other hand, had to cancel the Class 8 ice-breaker after spending $30 million. We are proceeding now with the refitting of a 21-year old Class 4 ice-breaker at a cost of $140 million, all of this while rejecting the Canadian design Class 7 Oden which has proved that it can do something that no other Canadian designed ship has ever done, it reached the North Pole.

I have to admit to a little soft spot in my heart for Canadian naval architects. My own great grandfather came here as one of the first naval architects in Canada after training in the Royal Naval College at Greenwich, England. He came here with his family in 1884 and designed and built ships on the Great Lakes in Canada and actually in British Columbia for a while. But those are not the issues here. There are really two issues involved in this matter; one is Canadian sovereignty and

the second is the effective spending of Canadian taxpayers' dollars.

• (1810)

Why, in heaven's name, did we choose, as a nation, to spend $140 million to refit a 21-year old Class 4 ice-breaker when we could have built a brand new, more powerful Class 7 ice-breaker designed by Canadians for only $55 million at a saving of some $85 million? Frankly, it is embarrassing. Can anyone out there explain it to me? I cannot.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, I want to thank the hon. member for Don Valley East for his question and for the way he has elaborated on the decisions that have been made.

While he talks about the *Oden*, yes much of that work was financed by the Canadian government, particularly to the oil industry doing work in the Beaufort Sea. It was with the assistance of the government programs that the offshore exploration at Canmor was able to design and build during the late 1970s and early 1980s.

In looking at the over-all questions, our largest ice-breaker, the *Louis Saint-Laurent*, was in need of a refitting.

Mr. Redway: Class 4, 21 years old.

Mr. Belsher: As the hon. member says, it was a Class 4 and 21 years of age, but by refitting you can also get a good many more years out of it.

The proposal that was submitted to the government by HDIL to complete an extensive refit of the *Louis Saint-Laurent* was priced at $71 million and was scheduled for completion within 28 months. Had we replaced the *Louis Saint-Laurent* with a new one, the figure we were given at the time would have cost us $240 million.

Had the *Louis Saint-Laurent* contract been completed by HDIL on time and within budget, there would be little to second guess. However, the shipyard experienced difficulties in removing all the asbestos from the ship during the early phase of the project and a second significant delay occurred when unforeseen deteriorated steel work had to be renewed and replaced.

Members will recall that this government had examined the feasibility of constructing the *Polar 8* for year-round operation in Canada's high Arctic and then, as the hon. member has alluded, for budget constraints we had to back away from that.

The Coast Guard have decommissioned the *Terry Fox*, a ship designed and built by Canadians for operations in the Beaufort Sea, and to have been chartered by the Coast Guard. There have been 10 major vessels which have been decommissioned. The remaining vessels will be asked to do a lot more work than they now do. This all has to be done within the framework of the budget constraints that each department has to work under.

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I rise on a question that I put to the Minister of Fisheries and Oceans on February 24. It had to do with compensation.

I just want to review what it is we are faced with and the reason I wanted to zero in on it this evening. I think everybody in the House by now is aware of the fact that the recent announcement in the reduced northern cod quotas means a reduction in jobs, lay-offs, and reduced plant operations. For many people, it means no income at all. In the face of this, at various times, even really dating back from last year when the fishery was pretty dismal as well largely because of ice but for other reasons as well, there were promises made and commitments that were interpreted by the bureaucracy differently than I think the intention that was put forward by the politicians.

The end result was confusion, anxiety, and I am not over-stretching or dramatizing, downright fear in some cases. When you have no income that is a pretty reasonable thing to be afraid of.

Let me give an example of a plant worker. I was in the riding on the weekend and I discussed this. It is wrong to get into people's salaries, but I had to for reasons of the point that I want to make here. These people do not make a lot of money, to begin with.

Let me take a plant worker, a cutter, who probably makes maximum around $11 an hour. With the number of weeks they have, their salary probably would get to about $21,500. If there are bonuses in a good year, it may get to $25,000. That in itself is a pathetic income.

Let me take it a little further. If they have to go on unemployment insurance, that income reduces to around $17,000 or $18,000 a year, which is well below the poverty line. I would suggest that it is not even subsistence allowance. But even that is not the problem. The problem is those people who do not even qualify for that $18,000 a year. This is the crux of my argument here this evening.

The Minister of Fisheries and Oceans and the Minister of Employment and Immigration, and I think well-intentioned, have said that anybody who has a reasonable attachment to the fishery will be looked after. But last year, Madam Speaker, that was over 10,000 people—10,300 people. There was $25 million allotted to that. That worked out to $2,500 per person. The catch here is that the criteria that was used last year and the year before, and the year before that, is the same, despite the promises of the minister that there will be a lot of flexibility used. Essentially what we are looking at is this. To qualify for 10 weeks, if that is the qualification, you must have either had 10 weeks or three weeks with last year all your stamps in the fishery alone.

If you cascade that effect, essentially it means that there will never be any qualification at all.

What the minister in fact has promised in his answer is the real reason I am here this evening. I want to just restate what he said. I want confirmation from the hon. parliamentary secretary, my friend who is working overtime this evening, that this is the case. The minister said: "If there is need for any additional assurance programs, assistance programs, they will be forthcoming".

The other thing he said was: "When we know later in the year exactly what the effects are, other programs if necessary will be put into place."

That, to me, is a very firm commitment. It does not talk about flexibility, it does not talk about interpretation by the bureaucracy. It says to me essentially, and I would like confirmation from my friend, the member from Fraser Valley East, that those who need it will be looked after.

If I can get that assurance, I will go home happier tonight and I think a lot of my constituents will be as well.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, to the hon. member opposite from Bonavista—Trinity—Conception, the announcement the minister made on February 24 concerning the northern cod catch was indeed a very significant announcement and something that no minister ever wants to have to make, particularly as it is dealing with people's livelihoods.

The minister's response was very comprehensive with the primary goal that of the sustainability of the northern cod.

The member opposite is talking about whether or not the government will be there to assist the people who fall between the cracks. I can tell him that this government has taken significant initiatives during the last several months to assist the Atlantic region of Canada, and this government will continue to be responsive to the needs of the people of Atlantic Canada whose livelihoods depend on the northern cod.

With the shutting down of the directed fisheries for cod by offshore vessels until the fall and the limiting of the catches by the inshore mobile fleet to the average of recent years, the traditional fixed gear inshore fishery will continue to operate without quotas or other limits on its catches.

The trawlermen and the offshore plant workers who are immediately affected by these measures are almost all eligible for unemployment insurance. Beyond that, assistance is available pursuant to the $584 million of the Atlantic Fisheries Adjustment Program. As well, the minister has made it clear that those affected by the lowering of the total catch this year will be assisted.

I can tell you, Madam Speaker, that our own conservation matters can only go so far in trying to get this problem corrected, and it is going to take us several months to get around it as far as getting the fishery back up to the levels that we have enjoyed in times past.

I also want to thank the hon. member for his continued and persistent questioning on these things on behalf of his constituents and other constituents who are in like circumstances from the province of Newfoundland.

[*Translation*]

CROSS-BORDER SHOPPING

Mr. Jean-Guy Guilbault (Drummond): Madam Speaker, I am glad to rise tonight to follow up on a question I put recently to the minister of Consumer and Corporate Affairs regarding cross-border shopping.

Cross-border shopping is increasing constantly and is becoming a real problem. The question I am asking, and that we have the right to ask ourselves as Canadians, is: Have we seen enough stores closing and employees losing their jobs to do something to correct the situation?

Daniel Forgues, in an article in *La Tribune de Sherbrooke*, says and I quote:

> The number of travellers entering the country and declaring goods purchased in the United States has increased tremendously at all border-crossing points in Eastern Townships during the last 10 months, that is from April 1, 1991 to January 31, 1992. The increase is 151.3 per cent for the custom offices of the Stanhope area and 103.1 per cent for those of the Rock Island area.

People from Quebec alone have spent hundreds of millions of dollars creating jobs and wealth south of the border while slowing down our economic recovery; Montrealers, for example, patronize in large numbers American stores. One Montrealer out of five has spent $640 in the United States this fall. The store owners in Windsor, Ontario, also suffer at lot from this. But what shall we do to curb this financial drain? Are we proud enough to take a stand?

Recently, the Minister of Finance and the Minister of National Revenue have announced measures in response to concerns about the impact of cross-border shopping and of the smuggling of tobacco products in many Canadian communities. This announcement contained five major points, including the elimination of tariffs on consumer goods not produced in Canada and the levy at the border of provincial taxes on alcohol and tobacco, on imports shipped by mail or courier into Canada as well as on smuggled tobacco products. This government initiative is most commendable. More needs to be done, however. We must change Canadians' perception, their attitude. We have to foster a sense of belonging such that Canadians will buy products made in Canada over anything else.

Canada had put forward such a strategy a dozen of years ago, but only as a promotional feature similar to a campaign to promote tourism. Never has such a program been entrenched in a piece of legislation like the "buy American" policy has in the United States. The Americans have that sense of belonging and the feeling of pride that goes with it. It is obvious, judging from all the signs on their cars and the slogans on their bumper stickers. We are facing structural problems. That much is true. Store owners remind us regularly that taxes of all kinds are preventing them from lowering their prices to match those of their competitors in the United States. Americans enjoy important comparative advantages such as cheaper manpower, economies of scale, more flexible hours, and lower fixed cost.

Can our government do anything to make our products more attractive? A lower dollar, lower taxes, changes in social costs. If our citizens shared a feeling of belonging to their country as strong as that of the Americans, we would have made progress. The lack of such a feeling, the lack of solidarity among Canadians have caused us economic as well as political problems. The constitutional issue could have been settled by now if we had developed some feelings of belonging to Canada.

So, I want to know if the minister intends to implement a strategy for a promotion campaign or to encourage us to develop a feeling of pride and belonging so that Canadians buy domestic products. Will there be a similar promotion campaign of high quality for our domestic products? For example, will our groceries which represent—

Madam Deputy Speaker: I am sorry, but I must interrupt the hon. member. I think he was able to put his question, and his time has expired. The hon. parliamentary secretary.

[*English*]

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, I want to thank the hon. member for Drummond for his pertinent question and one that affects my riding as well, being along the border.

He has suggested that the government launch a promotional campaign to encourage Canadians to buy Canadian. I would ask him if he would consider the view to the question from a slightly different perspective. That is, we know that Canadians shop in the United States for a very simple reason. They believe that they will get better value for their money.

It seems to me, therefore, that to effectively alter Canadians' opinions in this regard we have to convince them that there is equal value for their money in Canada.

Canadians must be reminded not by government but by the private sector that many goods and services in Canada are equal in price and often less expensive than those in the United States and that the quality of goods and services in Canada in every way equal that available that in the United States.

This message must be repeated again and again, not just in advertising but in every contact between the buyers and the sellers in this country.

We need to see the message of competitive prices and competitive quality in flyers, posters, store window displays and paid advertising of every kind. We must also hear the message at the point of sale in every transaction between the buyer and the seller.

This is the only kind of buy Canadian campaign that would be of real value, not an advertising campaign based on some government certification of Canadian content in consumer products and services which would pose difficult problems and result in increased costs to be passed on to our consumers.

LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): On November 22, 1991, I asked a question of the Minister of Forestry about a very important issue regarding our lumber exports from Canada, in particular the maritimes and Quebec to Europe and the effect then that the potential ban on green lumber imports from Canada might have on our lumber exports from the country.

I know that we have made some progress in that area. Without going on a great deal more I would be interested and look forward to hearing the comments from the parliamentary secretary to outline just where we are with this issue. I think we are all hopeful for some progress in this regard on really what is another trade dispute that we have. I look forward to the parliamentary secretary's comments.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Madam Speaker, let me assure the House that the Government of Canada has made the strongest representations possible to our European counterparts on the Pinewood Nematode issue. We are well aware of the stakes involved, almost $1 billion of our trade in unseasoned softwood lumber.

We have obtained a one year extension to the European Community directive which would require the drying of our current lumber exports to eradicate the Pinewood Nematode. The Canadian softwood lumber industry can continue to ship green lumber to Europe until December 31, 1992.

We have looked at various ways of eradicating this pest in a joint research program with the European Community. We have still to work out a joint report with the Europeans on these research results. It is expected that this phase will be completed by march, 1992. The European Community should then draft its new plant health regulations which are scheduled to be ready in june 1992. Due to the production adjustments that might be required, the industry might need additional time to implement the new control regime.

A month ago, the Minister for International Trade, wrote to commissioner Macsharry to urge the commission to accelerate the timing of its decision in order to give our industry the most lead time as possible.

Madam Deputy Speaker: The motion that the House now adjourns is deemed adopted. Consequently, the House stands adjourned until tomorrow 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.29 p.m.

HOUSE OF COMMONS

Wednesday, March 18, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

SOUTH AFRICA

Mrs. Christine Stewart (Northumberland): Mr. Speaker, we are all most grateful for the positive yes response to yesterday's referendum question in South Africa.

The majority yes response encourages people worldwide to continue to believe in the generous and just nature of humanity which so often is buried in the negative.

Yesterday's white South Africans voted overwhelmingly to support the end of apartheid. Seventy per cent of South Africa's 3 million white minority have given Mr. de Klerk the mandate to proceed with the CODESA reforms on behalf of all South Africans including 30 million black South Africans.

We look forward to a rapid negotiation of a new constitution enfranchising all citizens. We look forward to a speedy implementation of an interim government which will include blacks for the first time.

Most of all, we look forward to the achievement of these goals which will bring South Africa back as a full participant in the community of nations, sanctions lifted and freedom and prosperity for all, as the new goals for an international community.

ALBERTA CHAMPIONS

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, once again the province of champions does it. I ask this House to congratulate three new champions.

The ladies Canada West Ringette team from Alberta won the world's ringette championship in Helsinki, Finland.

During the same week, the Wetaskiwin Relics won the COHA international hockey tournament in Las Vegas for the second time, having previously won the world cup division in San Diego.

Of course, the whole nation watched the University of Alberta Golden Bears as they captured their eighth Canadian intercollegiate athletic union hockey championship in Toronto on Sunday.

The Golden Bears exemplify the winning tradition of the University of Alberta and all three teams exemplify the true ideals of excellence. As the Golden Bears say: "It is amazing what you can accomplish if you do not care who gets the credit".

Congratulations to all three teams and continued success.

* * *

SOUTH AFRICA

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, all over the world men and women who love freedom will rejoice at the result of the referendum in South Africa yesterday.

State President F. W. de Klerk, his Nationalist Party and his allies in the Democratic Party have achieved a result that gives him a free hand to continue the nation building work that he and the majority of other political parties in South Africa have been engaged in for the last several months.

Canadians have urged this course of action on South Africa for many years as have countless other countries around the globe. Freedom is the only solution to lasting peace in South Africa. The CODESA talks represent a significant movement toward freedom for all of South Africa's races and an opportunity for the state president

and his political colleagues to build a new, stronger and better country.

King George VI said here in Ottawa over 50 years ago: "Without peace there can be no enduring freedom, and without freedom no enduring peace". These words ring true for South Africa today and the referendum represents a giant step toward freedom for the majority of its citizens.

* * *

SOUTH AFRICA

Mr. Bill Vankoughnet (Hastings—Frontenac—Lennox and Addington): Mr. Speaker, the results of Tuesday's referendum in South Africa show resounding support for President de Klerk and other moderate leaders for the process of reform which has been initiated to end apartheid.

Having just returned from South Africa, I have seen firsthand the significant changes which have taken place in South Africa this past year and feel that the widespread support which President de Klerk's reforms received yesterday should be encouraged and rewarded.

If the aims of achieving a non-racial and democratic South African society are to be successfully reached, we must show support to the government and representative moderate leaders. I commend the Prime Minister of Canada for his prompt telephone call to President de Klerk and the announcement this morning allocating further official development assistance for activities in support of democratic development in South Africa.

Hopefully, as soon as possible the federal government will restore full economic and cultural ties with South Africa, including the establishment of a trade consular office. I encourage Canada to urge other countries to do the same.

* * *

SOUTH AFRICA

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, yesterday South African whites voted by a substantial majority to give President F. W. de Klerk a mandate to continue on the road to dismantle the evil of apartheid.

We welcome the outcome of this vote and hope that it will in fact accelerate the pace of change in South Africa toward irreversible true democracy and genuine majority rule.

While significant progress has been made it is very important however that Canada and other nations of the Commonwealth and elsewhere not lift trade and economic sanctions until there has been irreversible change and the black majority is fully represented at all levels of decision making in South Africa.

Canada must also speak out strongly on the tragic levels of violence in South Africa and call for firm and independent action to end the violence and bring those responsible to justice.

Let this be the last whites only vote in South Africa and let it lead soon to a free and democratic South Africa with an end to poverty, injustice and racism.

Finally, let us pay tribute to Nelson Mandela and the black leadership and the black majority of South Africa for the courage, dignity, and strength they have shown in the struggle to end apartheid.

* * *

ISRAEL

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, yesterday the world learned of yet another chilling terrorist attack against Israel.

This time an explosion destroyed the Israeli embassy in Buenos Aires, Argentina. At least 11 people, including children, were killed and more than 100 were injured in this brutal and senseless attack.

Israeli Prime Minister Shamir said the blast was part of a war against Israel.

Our Prime Minister sent the following message to Prime Minister Shamir yesterday: "Canadians were shocked and outraged today at the news of the bombing of the Israeli embassy. We join with civilized people everywhere in condemning this further brutal violence against the state of Israel".

I believe this latest terrorist attack is not only vicious and vile but, worst of all, cowardly.

PARTY FUNDRAISING

Miss Deborah Grey (Beaver River): Mr. Speaker, last week the Reform Party was maliciously attacked without provocation for some reason by the NDP member for Churchill as well as other members in this House.

He stated that a Reform Party fundraising letter was a "slick, sophisticated, and sleazy step by step guide on how to abuse the tax system".

I would like to bring to the attention of the House the fact that his own party, the NDP, has also used this method of fundraising so it is not new.

I have in my possession a copy of a document, a B.C. NDP fundraising letter, which reads: "Hans, here is my tax creditable contribution to the grassroots initiative 92. I am interested in finding out about donating to the B.C. NDP through my will, life insurance or other bequest. Please send me your free pamphlet".

This smacks of hypocrisy unfortunately.

I believe that Canadians are also repulsed by this kind of behaviour and the reaction of Revenue Canada.

Anne, the donor in question, has stated clearly that she did not enter this arrangement with Revenue Canada uninformed. I think what we need to do is say that the official who spoke to her contrary to what we may have heard in this House said there was nothing illegal or wrong about the arrangement—

Mr. Speaker: The hon. member's time has expired.

* * *

[*Translation*]

TRIBUTE TO THE LATE ROGER LEMELIN

Ms. Nicole Roy-Arcelin (Ahuntsic): Mr. Speaker, as I watched a few clips from *The Plouffe Family* yesterday on Radio-Canada, I remembered how families across Canada, literally glued to their TV sets, had become very fond of this family from lower town in Quebec City. Roger Lemelin's novel marked the birth of popular television in Canada.

The man who died Monday morning was a gifted author and an outstanding and sensitive communicator. Throughout Roger Lemelin's career, his work gained him many awards, both in Canada and abroad, particularly from the *Académie française* and the *Académie Goncourt*. At 30 he was the youngest member ever elected to the Royal Society of Canada. In 1989 he received the *Ordre national du Québec* and finally, two years ago, he became *chevalier* of the *Légion d'honneur*.

Roger Lemelin has given us some of our best descriptions of everyday life in Canada.

* * *

• (1410)

[*English*]

PARTY FUNDRAISING

Mr. Rod Murphy (Churchill): Mr. Speaker, the member for Beaver River just rose and read part of a mailing from the New Democratic Party of B.C.

Let me assure that member and the House that not only have I read that document, but I also read the entire package. I talked to the Hans in question and there is no way, shape or form that we are asking those people to use the political tax credit to pay premiums.

As I stated in the House on March 11 when I raised this issue, "Canadians will want to know the answer. It is perfectly legal for individuals to give through their wills or through their insurance policies to universities, to political parties and to charities. It is the abuse of the political tax credit that is in question".

I did my homework. We are not guilty. If The Reform Party feels very guilty at death's door, we understand why.

* * *

TOURISM INDUSTRY

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, at this time when jobs are at a premium, one of the fastest growing industries in our country has been given a boost.

Recently the minister of western economic diversification announced a project to develop job standards and certification programs for 27 tourism occupations. Now the tourist industry will be more prepared to meet the challenges of tomorrow's international tourism market.

Congratulations are due to the minister and everyone involved for their vision and dedication in improving and strengthening our market on the world level.

* * *

RACIAL DISCRIMINATION

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, Saturday, March 21 marks International Day for the Elimination of Racial Discrimination, a day to remind us that ending racism is a long process whose cause all of us must take up daily.

Last night unfortunately we were reminded again that the ultimate act of racism is terrorism with the bombing of the Israeli embassy in Buenos Aires, Argentina, that killed 11 people, injured 120 including many children, smashed windows for blocks and trapped survivors under the rubble.

It is clear the bombing was intended to scuttle the Middle East peace talks or to intimidate the government into closing recently opened files on Nazi war criminals living in South America.

Let us not allow that cruel act to change the course of history. Let us be sure that the meetings continue to move the world toward peace. This incident also reminds us of the ultimate consequences of racism here at home and around the world.

In Canada our fight against racism and hatred go hand in hand with our tradition of tolerance and respect for individual freedom of expression, be it Salman Rushdie's or Mordecai Richler's right to free speech. Racism must be eliminated.

* * *

AIR QUALITY ACCORD

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, exactly one year ago last Friday, the Prime Minister and President Bush affixed their signatures to the historic Canada–U.S. Air Quality Accord.

With the signing of the accord, both countries took a major step forward in undoing some of the damage we have both inflicted on the environment. We still have a long road to travel before the scourge of acid rain is eliminated from our midst. We must remain vigilant to ensure the terms of the accord are rigorously implemented on both sides of the border.

However, I believe the accord is a classic example of what two great peoples can accomplish when they act in the spirit of goodwill and co-operation.

The many individuals who worked to make the accord a reality, including the Prime Minister and you, Mr. Speaker, are to be commended for their tenacity and diligence in helping to ensure a healthier and cleaner environment for all.

* * *

CO-OP HOUSING

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, all people in Canada have a basic right to shelter. For the poor, co-op housing has been a saviour, putting a roof over thousands of heads, 5,000 in Winnipeg alone. It allows people shut out of the housing market to have choices and to live in dignity.

In Winnipeg North, a pioneer in co-op housing, there are three such units, but likely there will be no more. The federal government has killed the program though 164,000 families remain on the waiting list and more than 4,000 jobs hang in the balance. This is yet another example of classic Tory betrayal.

Somebody has to provide affordable housing to people in need. Federal responsibilities cannot be unloaded on to the backs of the provinces.

I ask this government: Did you kill co-op housing because it is a social safety net, a Liberal legacy, or because the needs of the poor carry no weight with you? Is it the Tory mandate to let food banks feed them and to let the slums house them?

Bring back co-op housing and address the needs of the poor.

* * *

TOBACCO INDUSTRY

Mr. Bruce Halliday (Oxford): Mr. Speaker, the recently announced export tax on cigarettes of $8 per carton has caused great anxiety and consternation in the tobacco growing communities in and around Tillsonburg and in my riding of Oxford. As a result, the hon. member for Elgin—Norfolk and I have received a petition signed by about 4,500 constituents.

We acknowledge the need to take action to stop the smuggling of cigarettes into Canada, but a way more appropriate than the export tax needs to be found. Not only will this tax seriously injure tobacco producers, but also the support services in those communities, all the way down to those who operate duty free shops at our border crossings.

The Minister of Finance has made it very clear that he is not trying to increase his tax revenue from tobacco sales. It remains for producers, manufacturers, politicians and officials to come up with a more acceptable and effective way to reduce the smuggling of cigarettes into Canada.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask the indulgence of the Chair to say a few words on the historic vote in South Africa.

It was a victory for equality of all people, a victory for democracy and a victory for South Africa. On this issue, the House has spoken most of the time with only one voice and I am sure that the Prime Minister will convey on behalf of all members of this House and all Canadians our congratulations and best wishes to President de Klerk and the people of South Africa.

Some hon. members: Hear, hear.

Mr. Chrétien: Mr. Speaker, coming back to the national scene, I would like to ask a question of the Prime Minister. In the budget papers, the Minister of Finance referred again and again to low interest rates as providing the basis for economic recovery. Since the budget, interest rates have been going up. Yesterday the minister said that it was not his fault; it was the uncertainty over the Constitution.

I want to ask the Prime Minister this question. Does the statement of the Minister of Finance yesterday mean that the budget projections are already wrong?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): No, Mr. Speaker.

Hon. Jean Chrétien (Leader of the Opposition): Only time will tell, because we have seen the projections of his predecessor wrong all the time, so I wanted to be on the record right away.

[*Translation*]

The Bank of Canada's policy is merely intent on raising interest rates. This idiotic policy will increase the bankruptcy rate, substantially increase unemployment and poverty in this country and accelerate the deindustrialization of the economy.

Why does the Conservative Government always bow to the Bank of Canada? Who is responsible for this country's economic slump, the government or the Bank of Canada?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, with regard to his comment about the former Minister of Finance being out in his projections, in fact, I think the record will show that from time to time he was out by approximately $100 million. However, that is not in the league of my hon. friend who was out by about 100 per cent on a regular basis when his party was in government. Nobody could match the record of my hon. friend and I do not think anybody would ever want to try.

[*Translation*]

Interestingly, the Leader of the Opposition deplores what he calls a high interest rate policy in the middle of a recession. The minister just explained the reasons for such a modest increase. Interest rates are now at their lowest level in nearly 20 years a major achievement for Canada.

• (1420)

And speaking of raising interest rates during a recession, does the Leader of the Opposition remember the recession in 1981–82, when his government raised interest rates to 22.75 per cent? Perhaps he should think about that for awhile.

Hon. Jean Chrétien (Leader of the Opposition): I would remind the Prime Minister that the recession did not occur in 1981–82 but in 1983.

Some hon. members: Oh, oh.

Mr. Chrétien: Mr. Speaker, I wish to ask a supplementary question.

[*English*]

Yesterday the Minister of Finance very courageously said that it was not his fault, that it was the fault of somebody else if the interest rates were going up. It was the fault of the Bank of Canada.

This morning the Governor of the Bank of Canada said it was not his fault; it was the fault of the market.

I want to ask the Prime Minister this question. Who is running the economy of Canada? Who is going to take the responsibility for the mess we are in today?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that the minister indicated that the modest rise in interest rates was the fault of the Bank of Canada. That statement is false.

He then says that the Governor of the Bank of Canada says that the rise in interest rates was the fault of the market. That statement is false.

What can one expect? My hon. friend says that the 1981–82 recession did not take place in 1981–82, that it took place in 1983.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Prime Minister.

Before beginning it, I invite him to look at his own budget papers. They say that the recovery period in 1983 and 1984 was much stronger than the recovery period right now. He should look at his own budget papers.

Yesterday the Minister of Finance tried to blame the current economic mess on constitutional uncertainty, but Canadians know that this recession began long before this current uncertainty. Even the Prime Minister back in 1990 said that his government "had induced a slowdown".

Will the Minister of Finance stop looking for scapegoats for his failed economic policies and look at himself in the mirror and take some steps to reverse his unnecessary return to high interest rates and the unneeded unemployment that goes along with it?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, yesterday I was responding to the hon. member's questions regarding the recent interest rates.

I said that there was volatility in the financial markets and that it had been caused by a number of factors, including the constitutional issue. I repeat that again. I think that all learned observers would share that view.

Hon. Herb Gray (Windsor West): Mr. Speaker, my supplementary question is for the Minister of Finance.

The Governor of the Bank of Canada held a press conference and, although invited to do so by journalists, he declined to agree with the Minister of Finance that the current constitutional uncertainty was to blame for the government's return to high interest rates.

Why does the minister insist on an excuse that even his buddy, the Governor of the Bank of Canada, refuses to accept?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member talks about high interest rates.

I remind him that we have the lowest interest rates in 19 years. They are certainly a heck of a lot lower than when the hon. member presided over here on the treasury benches. At that time, five-year mortgages for homes was 19.75 per cent.

The Governor of the Bank of Canada did not deny that the constitutional issue was a factor. As I said yesterday, there are many factors that affect the markets. Whenever there are uncertainties in the markets, it creates a certain amount of volatility, both in the exchange market and in the money markets.

* * *

TRADE

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, with the same forbearance and indulgence you gave the Leader of the Official Opposition, I have just a few comments on behalf of our party.

I want to say how pleased we are with the outcome of the vote in South Africa, and I want to compliment the Prime Minister for consistently sticking to a matter of principle at the Commonwealth conferences regarding South Africa.

Some hon. members: Hear, hear.

Mr. Barrett: And that is that.

Some hon. members: Oh, oh.

An hon. member: Back to normal.

Mr. Barrett: Mr. Speaker, I want to ask a question about the North American free trade agreement. I was interested in the fact that both the old line parties blamed each other's recession on each other's bureaucrats and any other excuse they could find. Neither one of them spoke about the damage to the economy of this country done by the free trade agreement. None.

I want to ask the Minister for International Trade this question. Considering our experience with the Canada–U.S. Free Trade Agreement, has this government made up–to–date impact studies, sector by sector, of what the draft bracketed agreement will mean to jobs here in Canada, from textiles to automobile parts and automobiles themselves? Has this government done impact studies, sector by sector? If so, will it make them available to the members of this House?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I want to thank my hon. friend for his question, the first part of which is one of the finest he has asked in this House.

I should tell my hon. friend that in a conversation this morning with President de Klerk of South Africa, I conveyed the congratulations of all members of the House of Commons for the excellence of his courageous leadership in bringing this about.

Some hon. members: Hear, hear.

Mr. Mulroney: As my hon. friend points out, it was on Canada's behalf, with the Commonwealth, a lonely battle from time to time and the government was sustained throughout by the overwhelming majority of the House of Commons. This was a policy that was consistently followed by successive governments over many years and I think it says something about some of the fundamental values of this country of which we can all be proud.

With regard to the less elegant part of the question, my hon. friend asks about the North American free trade negotiations that are presently ongoing. My understanding is that there was the offer of a full briefing for my hon. friend and others tomorrow.

Ms. Copps: Secret.

Mr. Mulroney: No, it is not secret. My hon. friend says it is secret. It is not secret. How could it be secret if we offer to brief the hon. member?

Some hon. members: Oh, oh.

Mr. Mulroney: That is an oxymoron, but I invite my hon. friend to come to the briefing. He will find that the Government of Canada will be full and forthcoming in its sharing of information. I look forward to having the opportunity of briefing my hon. friend and then having the House get the benefit of his views thereafter.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, if the Prime Minister is making an offer to committee members that they are free to discuss anything they heard in the briefing, I will accept the offer. However, if the conditions remain that we are sworn to confidentiality, when I am sworn to confidentiality, I keep my word. Therefore, I will not go into a secret meeting, sworn to confidentiality.

I asked the Minister for International Trade a specific question about impact studies. My next question is also for the Minister for International Trade. Congresswoman Marcy Kaptur in the United States Congress has made a thorough study of the impact of NAFTA on the United States economy. She has determined that over 100,000 jobs have been lost in the U.S. automobile industry alone, many of them shifting to Mexico. General Motors has recently decided to shift the Moraine Engine Plant to Mexico with a loss to the United States of some 1,000 jobs.

I ask this government whether or not it too has done any specific studies. Has it heard or seen from General Motors that their over–all strategy is quietly to shift its production to Mexico while the negotiations are going on and at the end of the negotiations *voilà*, be almost out of Canada, significantly out of the United States, with the jobs all going to Mexico because of the North American free trade agreement?

• (1430)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me just comment on my hon. friend's point on the access that we have offered members of Parliament with regard to negotiations on the North American free trade agreement.

The committee members, through the committee chairman, came to the government and requested access to the document and the opportunity to have briefings. We, as consistent with the United States and Mexico, have offered confidential briefings to the committee members. It was on that basis that the offer was made.

I believe it is the first time this type of access and involvement in the making of treaties has been offered to opposition members in the House of Commons. My hon. friend—and I believe it is the case with the Liberal Party—has chosen to forgo this opportunity to participate in making policy in order that they can participate in Question Period and in politics of the basest sort. It is that sort of approach that I do not think is becoming of members of Parliament when this unprecedented offer has been made.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the question for the Minister for International Trade is not whether the confidential information is available or not. The question is basically: When is this government going to share with the Canadian people its objectives in the North American free trade negotiations? It is a simple question.

The minister refers to the committee being given information. Many months ago, a year and a half ago, the committee called for the closest possible consultation with Parliament so that the people of Canada had the opportunity to understand what was happening in the negotiations.

Is the minister now saying that the confidentiality rule will not be attempted and, rather, that we will have an open discussion in the committee of the government's policies in this vital issue?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I have made known our objectives in the committee hearing about three weeks ago. I have made a number of speeches where I have set out quite clearly what the objectives of the Government of Canada are in the North American free trade negotiations.

What we have offered to both opposition party members of the committee is access to more detailed briefings on a confidential basis so that we can gain the benefit of their judgment on how the process should proceed. It is similar to the process we have under way with the International Trade Advisory Committee and the industry advisory committees where we meet with them on a regular basis, together with the provinces, in seeking broad sources of advice on the specific elements of the negotiations.

As I have said in my previous answer, this has never been done in the House of Commons. Quite frankly I am disappointed in the hon. member and his colleagues in not allowing this process to proceed in that open way.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, what benefit does this bring to the Canadian people? Am I supposed to spend my whole time talking to the member from the New Democratic Party about the deal behind some sort of closed doors?

The question is: What is this government doing to inform the Canadian people? What is it doing about the 50 per cent rule in automotive products? What is it doing on a subsidy code? What is it doing on a dispute settlement mechanism that will be prompt and binding?

These are the questions that we should be having answers to. When is this government going to share with the Canadian people what it is doing in these negotiations?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend knows that in the previous rounds of multilateral trade negotiations or in the auto pact negotiations his party, the governments that he supported in the past on the Liberal side, gave no information to members of Parliament and gave precious little information to Canadians who were going to be affected by the process.

What we have done on our side when we have been negotiating treaties, the free trade agreement, the North American free trade agreement and the multilateral treaties, is that we have opened up the process.

My hon. friend is very well aware that during the process the government is provided information by industry that is confidential, that is commercially important to other countries if that confidential information is provided. It is on that basis that we have to draw a line. I think my hon. friend is well aware as a member of the private sector before he got to the House of Commons why we must draw that line for commercially confidential reasons.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is for the same minister. The minister knows Canadian fruit and vegetable farmers already feel that they have been sold out under the Canada-U.S. Free Trade Agreement. These farmers do an incredible job ensuring food security for Canada, and all they want is to be assured by this government that they will be able to continue to provide this food security for all Canadians.

Why does the government refuse to give this guarantee to Canadian farmers?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think the position of the Government of Canada has been extremely forthright and firm as far as the farmers of Canada are concerned.

The positions we have taken in both the multilateral negotiations in Geneva and in the North American free trade negotiations have been developed in concert, in full discussion with the farmers of Canada. It is a position that is supported by the farmers of Canada in both the North American as well as the Uruguay round negotiations.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my question is for the Minister for International Trade.

The government knows that a system of tariffication will not provide the same level of protection for Canadian dairy, egg and poultry farmers as the present system. Yet reports out of the United States say that NAFTA negotiators are discussing a system of tariffication.

How can the government say that it is working against tariffication at the GATT negotiations and at the same time negotiate tariffication at the NAFTA negotiations?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the simple fact is we are not negotiating that.

My hon. friend knows—it is an open secret—that a number of countries in the negotiations like to see tariffication without exception. That has been presented. But are we negotiating it with them? No, we are not negotiating it with them.

BREAST IMPLANTS

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, this past Monday the Minister of National Health and Welfare rose in the House and insisted that breast implants were not available to women in Canada because of the voluntary moratorium. Yet, in the March 9 edition of *Maclean's* magazine in an article called "Beauty and the Breast", it is reported that an Ontario woman ignored the controversy and had implants the first week in March.

Will the minister investigate and advise the House about this incident as well as how many other incidents of implant surgery have taken place since the moratorium?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, in the statements I made on breast implants in the last press release, I said that we had asked all concerned, surgeons as well as manufacturers, to refrain not only from using but also from obtaining silicone based breast implants. Of course, if my colleague refers to a specific case which can be investigated to determine exactly what happened, we shall do so and inform her accordingly.

[*English*]

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would assume that was a yes, that the minister will look into this incident and see if there are any other incidents as well.

Yesterday, the plastic surgeons of Quebec held yet another press conference on breast implants and Dr. Roland Charbonneau said that studies have shown women who have breast implants in their body "are getting frightened and it is not justified". He also said that women who want breast implants are "psychologically disabled. They are not happy about their image".

I want to tell the minister that I like my image just fine, and I want to ask the minister if he shares the views of this plastic surgeon that I along with 150,000 Canadian women who are implantees are psychologically disabled?

• (1440)

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I do not know why the member asked me that question. She knows very well that what she said was said by somebody else. I never used those words. I always said that the health of women was paramount in terms of how we should deal with that.

I totally agree that there are women who need implants. They need all information available to make their own decision which we must all respect.

In that respect she knows that even if there were requests by the Plastic Surgeons Association in Quebec I did not put out the moratorium. I do not intend to do that as long as the committee agrees.

* * *

SOFTWOOD LUMBER INDUSTRY

Mrs. Diane Marleau (Sudbury): Mr. Speaker, today, at the request of this government, GATT is looking into the softwood dispute between Canada and the U.S.

Our softwood industry cannot afford a long, drawn-out process. Does the Minister for International Trade feel that we can get an early resolution through GATT? When does he expect a decision?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, there are two processes under way. There is one process, the countervailing duty process, which is under way in the United States. Following that process there could well be the dispute settlement mechanism, the binding decision by a panel on the process in the United States.

The second process is the GATT process to which my hon. friend has referred. We may well see some decisions on the GATT process some time this summer.

Mr. Bob Wood (Nipissing): Mr. Speaker, my question is for the Minister for International Trade and it concerns the softwood lumber industry.

The government has recently told us on many occasions about the virtues of the bi-national dispute settlement mechanism in the free trade agreement the minister just mentioned. By the time we get a resolution with this process it can take up to two years. In the meantime the damage would have been done to many of our mills, particularly our smaller mills.

If the government believes that our softwood industry is not being subsidized, what programs and options is it considering? Will it provide interim relief to this industry while the dispute works its way through the process?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is referring to some of the same elements as the previous questioner did.

It is quite right. We have taken action against the United States on the softwood issue, on three different elements of the decision or the action it took. As I indicated, we should see the first indications of those decisions some time this summer; not the two years my hon. friend has referred to.

Let us see what happens with the process as it unfolds. As the member from Winnipeg drew to the attention of the House a week or so ago, certain options are available to us. I think it is important that we complete this process in the strongest possible way and try to win the decisions as quickly as possible.

* * *

AGRICULTURE

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my question is for the minister answering for agriculture today.

Late last month it was announced that farmers would immediately be able to truck their grain to the United States without off-loading at country elevators and without the regular charges.

This came as a shock to the grain companies. Clearly it was done without consultation. Clearly it was a political directive and clearly it undermined the independence of the Canadian Wheat Board.

What possible explanation does the minister have? Is it one more step toward dismantling the Canadian Wheat Board?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, in the absence of my colleague, the Minister of State for Grains, I will take note of the question and make inquiries on it.

It is in the interest of us all including Canadian farmers to sell as much wheat as possible as quickly as possible.

[*English*]

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, my supplementary question is for the minister responding for revenue today.

Until recently Canadian farmers trucking grain to the United States were required to fill out what was called the B-13 form for customs officials at the border. I am now advised by customs officials in the province of Manitoba that this practice has been dropped. This raises the possibility that some farmers will neglect going to the elevator and acquiring an export permit. They will simply cross the border, no questions asked.

My question is what possible motive lies behind the elimination of customs inspection of grain shipments by truck?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, once again I shall note the question, which is technical, and answer my colleague as soon as possible.

* * *

[*English*]

THALIDOMIDE VICTIMS

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, my question is for the minister of health and welfare regarding the extraordinary assistance plan for thalidomide victims.

I brought three thalidomide victims cases from my riding to the minister's attention in November 1991. All have legal medical proof that their mothers took thalidomide during pregnancy. However, the bureaucrat in his department is stonewalling, refusing to grant hearings, and making unqualified decisions.

As the program expires on March 31, is he going to take his ministerial responsibilities seriously and look over those decisions and ensure that my constituents receive all the benefits they are entitled to?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I always take all my responsibilities seriously.

I just want to say that the member is right, those decisions were made by the office, but they were made in collaboration with all organizations dealing with the problem of thalidomide.

Moreover, it was done in a way that today all those who qualified as victims are satisfied with the settlement we proposed. We are very close to making the final announcement. Those who were not considered were not considered because they were not qualified under the policy we recently put forward.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I am not happy with the response of the minister. He tells me that the decision was made by his bureaucrat. My information is that the bureaucrat had no consultation with physicians or legal people. Is the minister going to take his responsibility seriously and review those cases instead of letting them be handled by someone who is not qualified? Yes or no.

Hon. Benoît Bouchard (Minister of National Health and Welfare): No.

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ATMOSPHERIC CONTAMINANTS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question is also for the minister of health.

A delegation of B.C. New Democrat MPs has just returned from a tour of the Hanford nuclear bomb plant in Richland, Washington. The scientists at Hanford confirmed that residents of southeastern British Columbia were likely exposed to atmospheric radioactive contamination from the years of both accidental and deliberate releases of atmospheric contaminants from Hanford. What we do not know is how much or whether there have been any long-term health effects.

Will the minister recognize the need to send a Canadian team of scientists to Hanford to work with the scientists involved in the Hanford Dose Reconstruction Project in order to better determine the extent to which Canadians may have been put at risk?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, in response to the hon. member he would know that the Atomic Energy Control Board is responsible for radiation as well as radiation limits.

The agency works very closely with health and welfare in terms of any crossovers relating to health risk. I will be in touch with the president of the AECB later today and ask him for an update on the issue that the member has raised.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I appreciate the minister's response.

On another item, the U.S. authorities are currently undertaking a wide ranging epidemiological study to investigate the increased incidences of thyroid disease and cancer that may be associated with radioactive Iodine-131 releases coming from Hanford.

Should the American studies indicate that significant levels of radioactive contamination did in fact cross the U.S.-Canada border, is the minister prepared to initiate similar epidemiological studies to investigate possible long-term health effects to the Canadian population?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I will not speculate on the issue that the hon. member raised. My first answer applies also to his second question. If there is scientific evidence, if there is direction from the AECB, we will follow that up.

• (1450)

I think it is very important, and I know that the hon. member did it in good conscience when he asked his question, that in these areas we do not speculate, but we base our information on science. I am sure that is what he is interested in and that is what I am interested in.

* * *

SOUTH AFRICA

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, my question is for the Prime Minister. Our government showed the way by imposing sanctions against South Africa. The overwhelming yes response to the referendum has opened a window of opportunity for new economic relations between our two great peoples. Will the Prime Minister now seize this opportunity to place trade officials in South Africa so that business, trade and investment in London—Middlesex, and indeed across Canada, may flourish as partners in the rebirth of this great nation before the window is slammed shut?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for an important question. As the House knows, the government, as an indication of the regard that we have for the importance of the decision taken by President De Klerk, committed $5 million today to assist black and white South Africans, particularly black South Africans, to participate economically in development in that area, particularly in regard to the democratic process.

Sanctions that we have followed from the very beginning have been followed jointly with other members of the Commonwealth. The Secretary of State for External Affairs presently chairs the Commonwealth Committee on Sanctions. We met earlier today and agreed that the government will, in co-operation with our Commonwealth partners, seek to send a further signal of confidence to underline the tremendous contribution and leadership shown by President De Klerk at this most critical moment in the evolution of the life of South Africa.

We have always worked together with our Commonwealth allies and we would not want to break ranks now. We will be communicating with members of the Commonwealth to urge them to take some actions now which would send a very positive signal to the President of South Africa and to trading partners around the world and would have the effect of achieving some of the objectives requested by my hon. friend from London a few moments ago.

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GASOLINE PRICES

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, my question is to the Minister of Finance. The most recent figures show the number of daily car trips by Canadians to the U.S. is continuing to increase. Committees of mayors, reeves and business people in border towns attribute this tendency to the wide discrepancy in the price of gasoline between Canada and the United States.

Why will the minister not announce immediately that he is eliminating the 8.5 cents a litre federal tax on gasoline to reduce the number of day trips by Canadians to the U.S.?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I appreciate the hon. member's question which covers a number of different portfolios. May I just say to him that the difference on diesel on the federal excise tax in Canada now is lower than that of the United States. That was done by our government and that should be kept in mind.

Second, we have done a survey of taking the federal excise tax on gasoline, as compared to the American, and we are higher on gasoline, but if you take a look at a comparison as well of a province, say my own province of Manitoba and the neighbouring state of North Dakota and compare those two figures in every province and every state, you will find that if there is room and if there would be any change at all, there would have to be very close provincial co-operation.

Mr. Jim Jordan (Leeds—Grenville): I appreciate that answer, but most of the trips that are made in my community are not made by diesel operated vehicles. I think that is a bit of a myth.

In any event, will the minister conduct a study to compare the amount of revenue generated by the federal tax on gasoline as opposed to the cumulative loss caused by cross-border shopping through unemployment, bankruptcies, a lowered municipal tax base and all the other negative effects that one day cross-border shopping trips are having on border towns across this nation?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I was making the case of diesel where, if you look at some of the diesel sales even where we are lower, some of the very arguments that he uses still apply.

I only say to the hon. member that we have used our tax structure, both at the national level and at the provincial level, in a different manner than the Americans have. If there is to be a review, that would be up to our government.

I say to him that there are other factors as well. If you take a look at the over-all tax structure in the United States as compared to Canada, there are for example areas relating to the cost of university fees—I give you that—health care fees, or estate taxes which we have eliminated. Those are all differences as well.

One cannot simply look at the one area, though I know he raises it from a very specific perspective. All of those areas have to be looked at as well.

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TERRORISM

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to pose a question to the Secretary of State for External Affairs.

Over the past three weeks we have watched tragically five separate terrorist attacks taking place against Israeli nationals. There were three in Israel itself, one in Turkey and the tragic bombing in Argentine yesterday. The result is over 15 deaths, 125 wounded and many of them schoolchildren, which is something that I think we all abhor.

What action is the Government of Canada taking to protest against these terrorist actions and trying to mobilize international opposition in an effort to stop them while the peace process is gong on?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I think this is a point of view that all of us in this House share.

Yesterday the Prime Minister sent the following message to Prime Minister Yitzhak Shamir of Israel: "Canadians were shocked and outraged today at the news of the bombing of the Israeli embassy in Buenos Aires. We join with civilized people everywhere in condemning this further brutal violence against the state of Israel".

There are a number of steps that we are taking. One is our activity in the multilateral round of the Middle East peace talks where we are chairing the working group on the very sensitive issue of refugees.

We have urged all sides to take confidence building measures while these negotiations are going on and to cease acts of violence that lead to the kind of things that we saw yesterday. We do not want to see any repetition on any side at all.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, we certainly support sending a letter of condolence to the Prime Minister of Israel.

We are really asking if the Government of Canada is taking action with other countries in the Middle East to ask them to also raise their voice of condemnation especially at a time when the Middle East peace process is so important?

Will the Government of Canada be asking the governments of Egypt, Syria and Jordan to also join the international community in protesting against acts of terrorism so that there can be a total agreement and consensus among all countries in the Middle East that terrorism is not the way to peace?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, this is a consistent part of our message to all of the countries in the Middle East.

In the multilateral round concerning the peace process that was held in Moscow, I had a first-hand opportunity to speak to many of the countries on both sides of this issue and explain to them Canada's very strongly held views considering terrorism and violence among many of the other things that we talked about, but that certainly is a key part of the message that we portrayed then. We will continue to make it not just in the case of this instance but on a consistent basis.

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ENERGY

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. It focuses on the indications of the Saskatchewan Romanow government that the energy agreement between Canada and Saskatchewan and the nuclear agreement between AECL and Sask Power will be ripped up.

What does the minister see as the potential impact of this premature action by the NDP Government of Saskatchewan? What will it mean for the future of energy for the people of Saskatchewan, including our aboriginal community in my province?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, we were very much involved in the agreement that AECL entered into with the Saskatchewan government on behalf of Canada.

With the diversification which I as a member coming from from the prairies know has to take place, we thought we could get diversification in Saskatchewan because it has a world class uranium industry. In fact, it is the single largest private employer in Saskatchewan today.

We also are willing to have an examination. We were not forcing a Candu III on them. We were looking at an ability for them to get the engineering, the research, the technical help and also research, for instance, at the University of Saskatchewan. All those things were included. In fact, we were ready to transfer up to 170 people into Saskatchewan. That has all been stopped by the recent announcement of the premier.

* * *

• (1500)

VETERANS AFFAIRS

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I want to remind the Minister of Veterans Affairs that the merchant mariners of World War II have been asking for justice since 1945 and still do not have it.

Last October the standing committee tabled a unanimous report recommending that merchant navy veterans be recognized as full veterans entitled to all veterans benefits, that an appropriate memorial be erected for merchant seamen and that a Book of Remembrance be placed in the Peace Tower.

The minister's response consisted of a letter to the chairman saying his reply was going to take another month.

When does the minister expect a report from General Smith, his so-called adviser? Will he table his recommendations in this House? When does he expect to report further to the House? Will he do it by making a statement in this House or is he going to continue the callous disregard and indifference to merchant seamen by every government since 1945?

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Mr. Speaker, certainly I and all of my predecessors, and I am sure every parliamentarian here, agree that the merchant mariners underwent some very difficult conditions during the war supplying our troops and so on.

For that very reason, not only this government but previous governments as well, gave them a whole array of programs. There is a misconception out there that they are not getting anything. They get disability pensions, Veterans Independence Programs in some circumstances, civilian war allowance, prisoner of war allowance, campaign medals except the CVSM, atten-

dants' allowance, clothing allowance and exceptional incapacity allowance.

I do understand that the merchant mariners want their access criteria widened to other programs the veterans have. In response to that, I might say that this government has undertaken, with veterans groups, the most comprehensive review of this issue since World War II.

I indicated on February 28 that I would have an answer shortly. When the government has a response, we will make a response in the House or elsewhere.

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PRESENCE IN THE GALLERY

Mr. Speaker: I wish to draw to members' attention the presence in the gallery of His Excellency Dr. Heinz Fischer, President of the National Council of Austria.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

REPLY IN QUESTION PERIOD

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, yesterday in Question Period I put a question, answered by the government House leader, in which I asked him why the government was continuing to index judges' salaries—they are making over $147,000 a year—and freezing other salaries. One hundred thousand PSAC people make less than $25,000 a year.

The minister answered my question by saying he could not answer because there was a bill before the House with respect to judges' salaries.

Ironically, on checking, I found that the bill does not deal with indexing at all. However, that is not the point. The point is that a minister can answer in the House by saying that there is no answer and he cannot give an answer because a bill is before the House.

I made reference to Beauchesne's in which it clearly says that when we are talking about a bill before the House, we are talking about a bill to be debated that day. The Deputy Speaker, Mr. Speaker, in your absence, indicated that she did not know that there had been a ruling in the House that day, a House order, that the debate for the afternoon would be on the environment, not on a judges' bill.

I raise the matter because I am concerned that we might fall into a bad practice in the House. I think this matter needs clearing up because it affects future questions. If a minister can simply stand up and say: "Well I am answering by saying I don't have to answer this question because there is a bill before the House", a pension bill, an environmental bill or whatever, it would seem to me that the government could duck answering a lot of questions. I think this should be cleared up.

Mr. Speaker: I am going to hear further, but I think it is important if there is going to be any discussion on this to understand clearly what the issue is.

The first issue is whether or not the question put by the hon. member yesterday is out of order because it anticipates an Order of the Day. That is the first question.

If it is, then the second matter of whether or not the minister has to answer does not even come into play. Of course a minister does not have to give an answer if the minister does not wish to do so.

But I think the issue we really have to look at here that the hon. member has raised is this: Is the question in order?

The hon. member may want to address the Chair further on that, because that really is the question.

Mr. Waddell: Mr. Speaker, I understood the question was: Is the answer in order? But, of course, a question has to be in order before an answer can be in order.

I would submit the question was in order, in that no Order of the Day was anticipated because the Order of the Day was to discuss an environmental bill. There was before the House sitting on the table a bill on judges' salaries which, of course, did not even deal with indexing, which is what my question was about. But even if it had dealt with indexing—I do not want to stray from the point—my submission is that I could still ask the question because we were not debating that bill.

There are a whole slew of bills before the House and we can still ask general questions on those bills.

The question clearly dealt with what was the government's priority, where it was granting indexing to one group and freezing salaries and not granting indexing to another group?

I am in perfect agreement with the minister and with the Speaker that the minister could stand up and say he was not answering that question. He has a perfect right to do that. But I submit that he cannot stand up and say that he is answering the question by saying: "I don't have to answer the question because there is a bill sitting there on the table", which may or may not deal with the subject matter, but certainly was not dealing with the subject matter on the day when I put the question.

So the question is in order. I ask the minister to simply stand in the House and indicate that he was wrong. I do not think we should establish a bad precedent like this.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, talk about a tempest in a teapot. The hon. member stood and said this was a point of privilege but I have yet to hear any evidence from him or any suggestions that it is a point of privilege. So I hope you would acknowledge that it is not a point of privilege.

Second, he described his question as a supplementary to the question asked by the hon. member for Vancouver East. I think checking into the two questions shows that it was not supplementary in any way, shape or form.

Mr. Waddell: That's not the issue.

Mr. Andre: Now he says that is not at issue. Whether his question was supplementary or not is not at issue. He acknowledges that there is no obligation on the part of the government to answer the question anyway, so how can he suggest that an unsatisfactory answer somehow reflects on his privileges, since no answer is a satisfactory answer, or anything else.

Mr. Speaker: I wonder if I could help the hon. government House leader? The hon. government House leader has remarked that this probably is not a question of privilege. It is not a question of privilege; it is a point of order.

But, now that we are into it, I am certainly going to hear it. The hon. government House leader.

Mr. Andre: As I was saying, I think it is a specious point of order anyway.

Perhaps the hon. member will also withdraw his comments where he says "the government has awarded some indexing" and appreciate that in fact the indexing of judges' salaries is a result of an act of Parliament and not a decision by this government to do anything, not something that can be changed. That is another reason why the question was inaccurate because of its implications or imputations that somehow a decision was made.

I well acknowledge that I was of the opinion that questions, which do occur frequently on here, that deal with legislation that is before the House were out of order. Frankly I think they should be. I think that Question Period should be restricted to what Beauchesne describes Question Period as, namely an opportunity to seek information from the government that cannot be sought in other ways, such as questions on a bill then before the House. I do not think Question Period should be used for that purpose.

But we can talk about those rules at another occasion.

• (1510)

Mr. Speaker: Just a moment. The hon. member has raised a matter by way of a question of privilege and I have pointed out that it is not a question of privilege, it is a point of order. Surely his colleagues ought to allow the government House leader to respond. The hon. government House leader.

Mr. Andre: As I was saying, I was of the opinion that a question dealing with legislation ought not to be put in Question Period. That is why we have debates. Question Period is not described in Beauchesne and ought not, I believe, be an addition to the debates we have here on legislation.

As to the question of the quality of my answer, all right, I will concede it could have been a higher quality answer. I get back to the comments I made yesterday which the hon. member heard. In fact no answer is required. I was mistaken in suggesting that I did not have to answer. Instead of this answer, please take it out and say my answer is no answer.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, perhaps the government House leader, if I understand him correctly, has done what needed to be done, that is acknowledged that the answer he gave in using a procedural argument for not answering when in fact all he had to do was not answer. That is what is at stake here. We acknowledged yesterday that no minister, according to the rules of this House, has to answer a question when it is asked.

What we took issue with yesterday was the minister using an interpretation of the rules of the House which was subsequently not validated by the Speaker in order to not answer the question. What we needed either from the Speaker was an instruction that this not happen in the future or an admission by the government House leader that that was not the way he should have dealt with it. I think that is what we just got and perhaps the matter can rest there.

It was certainly never the case that the admissibility of the question was at issue. Whether or not the question was in order was not what was at issue yesterday. Certainly if that had been the case, Madam Speaker would have said something about that. She did not.

What was at issue was whether or not the answer was in order, because it gave what we thought at the time, and still do, and what Madam Speaker appeared to think yesterday, an interpretation to the rules of this House which we felt set a bad precedent. If I understand everything that has been said here today, we agree on that and perhaps the matter does not need to be pursued any further.

Mr. Andre: Except for one thing, the hon. member's question was out of order. It was not a supplementary to the previous question. It was a total distortion.

I will say this about the hon. member for Winnipeg Transcona. I want to congratulate him for not screaming and yelling at the top of his lungs today like he did yesterday.

Mr. Speaker: If the hon. member rises further, I will hear him.

Mr. Waddell: Mr. Speaker, I want to wind up the matter. I see the government House leader has left. I just want to point out very quietly that he is not the Speaker, he is the government House leader and maybe he should remember that.

I want to thank you for hearing me on the point. I accept the government House leader's acknowledgement that he has a different view today than he had yesterday.

Mr. Speaker: I thank the hon. member.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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CANADIAN GRAIN COMMISSION

TABLING OF ANNUAL REPORT FOR 1990-91 CROP YEAR

Mr. Murray Cardiff (Parliamentary Secretary to Minister of Agriculture): Madam Speaker, on behalf of the Minister of State for Grains and Oilseeds, I am very pleased to table, in both official languages, the annual report for the 1990-91 crop year of the Canadian Grain Commission, pursuant to section 15 of the Canada Grain Act.

Pursuant to Standing Order 32(5), this document is deemed permanently referred to the Standing Committee on Agriculture.

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BILL C-61

REPORT OF LEGISLATIVE COMMITTEE C

Mr. René Soetens (Ontario): Madam Speaker, I have the honour to present, in both official languages, the report of Legislative Committee C on Bill C-61, an act to provide Borrowing Authority for the fiscal year commencing April 1, 1992, without amendment.

I would also like to acknowledge the fine co-operation I received from the members of all three parties who participated on this committee.

Routine Proceedings

HOUSE MANAGEMENT

28TH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I have the honour to present the 28th report of the Standing Committee on House Management.

[*Editor's Note: See today's Votes and Proceedings.*]

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PETITIONS

VIA RAIL

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I rise today to present a series of petitions signed by over 300 residents of northwestern Ontario, Red Rock, Nipigon, Schreiber, Terrace Bay, Marathon, Heron Bay, Sault Ste. Marie and Thunder Bay.

All of those citizens lost their rail services two years ago. They call upon Parliament to support the NDP plan to restore VIA Rail service cut on January 15, 1990, particularly those services eliminated along the north shore of Lake Superior, maintain and upgrade Ontario's services upon which many residents rely, provide a legislative mandate for VIA Rail and make available to VIA the resources it needs to become a modern passenger rail system in a class with those throughout the rest of the western world.

I hope the government is listening.

JUSTICE

Mr. Bill Domm (Peterborough): Madam Speaker, since August 1991, colleagues of mine have been presenting large numbers of petitions in the House dealing with the Nina de Villiers murder in August 1991.

Today I have 24 sheets signed by petitioners who claim that the current criminal law does not require bail hearings in crimes of violence to be presided over by judges and that the risk to society posed by the early release of a violent offender appears to be of secondary consideration to the rights of the individual criminal.

Therefore, your petitioners request that Parliament recognize that crimes of violence against the person are serious and abhorrent to society and amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

I humbly present these petitions to Parliament.

[*Translation*]

HUMAN RIGHTS

Mr. Phillip Edmonston (Chambly): Madam Speaker, pursuant to Standing Order 36, I have the honour to present a petition signed by electors in Quebec who deplore the fact that for over half a century there has been an illegal trade in Haitian workers between Haiti and the Dominican Republic and that these human beings, who are treated like cattle, are confined within the *bateys* and obliged to cut sugar cane under conditions that fly in the face of human rights.

Consequently your petitioners humbly pray and call upon Parliament to urge the government to impose diplomatic, political and economic sanctions on the Dominican Republic, until such time as the rights of these Haitian *braceros* and their families are respected in accordance with the universal declaration of human rights.

• (1520)

[*English*]

EXTERNAL AFFAIRS

Mr. George S. Rideout (Moncton): Madam Speaker, pursuant to Standing Order 36, I have the pleasure to present two petitions from hundreds of residents all across the country, petitioning Parliament to urge the Secretary of State for External Affairs to request the government of Brazil to expel Christine Lamont and David Spencer and return them to Canada.

TAXATION

Mr. Ronald J. Duhamel (St. Boniface): I have the honour to present two petitions in the name of my constituents.

On the first one, my petitioners indicate that the government is denying equal financial benefits to those who are at home caring for their children as opposed to those who have receipted day care receipts and they want that corrected.

They wanted, as well, that married couples enjoy the same tax benefits and opportunities as common-law couples, but that has changed in the reverse direction in the last budget. They deplore the fact there are many programs that are often confusing and work against the family. They would like to see all of this changed.

RADIO AND TELEVISION PROGRAMMING

Mr. Ronald J. Duhamel (St. Boniface): With regard to the second petition, the people of my riding want the CRTC to regulate foul language on radio and television.

They see often their efforts as parents being eroded and undermined by the language that is often used on radio and television programs. They find that foul language in any language is simply unacceptable. They want the CRTC to enforce strict rules of language conduct on radio and television.

EXTERNAL AFFAIRS

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I have the honour to present a number of petitions this afternoon.

First of all, I have a petition from residents of Alberta and British Columbia, who point out that two Canadians, Christine Lamont and David Spencer, have been sentenced to 28 years each in a Brazilian prison.

They have suffered miscarriages of justice, cruel and unusual treatment in Brazilian prisons and discrimination in sentencing and parole. The cumulative effect of these irregularities provides ample ground for the government of Canada to seek a remedy on their behalf and that remedy is expulsion.

Therefore, the petitioners call upon Parliament to urge the Secretary of State for External Affairs to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to their homes in Canada.

[*Translation*]

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I also have the honour to present a petition signed by a number of residents of Quebec City who point out that Canada enjoys an international reputation as a leading defender of human rights.

Considering the fact that for over half a century there has been an illegal trade in Haitian workers between Haiti and the Dominican Republic and that these human beings, who are treated like cattle, are confined within the *bateys* and obliged to cut sugar cane under conditions that fly in the face of human rights, your petitioners humbly pray and call upon Parliament to urge the government to impose diplomatic, political and economic sanctions on the Dominican Republic and to take the initiative by raising this issue at the United Nations to ensure that the UN makes it one of its priorities.

[*English*]

CANADA POST

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, as well, I have a petition which is signed by hundreds of residents of North Burnaby who note that Canada Post is continuing to close and privatize postal stations and that the counter service at the North Burnaby postal station on South MacDonald Street in Burnaby has been closed down.

Therefore, they humbly pray and call upon Parliament to stop the closure and privatization of postal services and to reopen the counter service at the North Burnaby postal station in its same location run by the Canada Post corporation.

PENSIONS

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I also have the honour to present a petition which is signed by hundreds of residents of the lower mainland of British Columbia and in particular, by Agriculture Canada employees at Royal Avenue in New Westminster, British Columbia, who are members of the Public Service Alliance of Canada.

They point out that indexed pensions for all Canadians are essential. They are concerned that linking pension benefits to increases in the cost of living at least allows pensioners to maintain the value of whatever pensions they receive. They are concerned about the government's decision to restrict and remove full inflation protection.

Therefore, they call upon Parliament to maintain full inflation protection for federal public employees as a demonstration of the government's commitment to full indexed pensions for all Canadians.

NATIONAL FILM BOARD

Mr. Svend J. Robinson (Burnaby—Kingsway): Finally, Madam Speaker, I have the honour to table a petition signed by residents of Ottawa and Montreal, which points out that the National Film Board Studio D is recognized world-wide as a production centre for films pertaining to and made in the interests of women.

They point out that it is very dependent on federal funding but it must be independent in its production of films, and that one such production of Studio D, *The Burning Times*, has been subject to public pressure by small groups.

Therefore, they call upon the Government of Canada to continue its funding of the National Film Board Studio D and to permit film makers to make films and maintain freedom of expression without the pressure of Government.

IMMIGRANTS AND REFUGEES

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, I have a petition signed by more than 1,000 individuals who came to Canada from eastern Europe as self-exiled individuals under our refugee and immigration legislation and whose applications have been delayed for hearing up to three years.

These petitioners ask the government and the Parliament of Canada to co-operate in speeding up the processing of their outstanding applications, to remove the quotas which have been implemented without regulation or Parliamentary approval, to apply the traditional sunset provisions in the processing of outstanding self-exiled applications, to allow these self-exiled applicants in Canada to work and to go to school during the traditional period and to accept all persons registered in the refugee backlog who are established in Canada for landed immigrant status at their pre-inquiry humanitarian and compassionate reviews.

CRIMES OF VIOLENCE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to rise to present a petition signed by numerous residents from all parts of Canada—Winnipeg, Manitoba; Dartmouth, Nova Scotia; Kingston, Ontario; Kirkland Lake, Ontario; Comox, British Columbia, and many many other places too numerous to mention.

The petitioners humbly call upon Parliament to recognize that crimes of violence against the person are serious and abhorrent to society and call upon this House to amend the Criminal Code of Canada, the Bail Reform Act and the Parole Act in order to ensure that these crimes are reduced as far as possible in this country.

REFUGEES

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, it is my honour and duty to present a petition from 186 residents of Canada in Grand Falls, Newfoundland; West Lorne, Ottawa, Chatham, Val Thérèse, Nepean, Thornhill, North Bay and Belleville, Ontario; and Quebec City who are concerned for the spouses and children of people who have been accepted for landing as either members of the refugee backlog or as refugees.

They urge Parliament to call upon the Minister of Employment and Immigration to issue minister's permits for spouses and dependent children of refugee claimants who have been permitted to apply for landing from within Canada including persons in the backlog and persons accepted under the new legislation and allow them to be reunited in Canada for inland processing.

HUMAN RIGHTS

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Madam Speaker, it is my honour and duty to present a number of petitions that also deal with the concerns of many Canadians, mainly from Quebec, on the continuing trade in humans and indentured labour between Haiti and the Dominican Republic.

The Canadian Institute of Human Rights and Democratic Development is studying this issue and holding a conference on the subject on Monday, March 23.

These petitioners call upon Parliament to use their good offices to encourage the government and the United Nations to take action on this disregard for human rights which allows the trade in human beings.

GOODS AND SERVICES TAX

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, I have a petition certified correct under Standing Order 36 wherein the petitioners note that the goods and services tax applies to female sanitary products such as tampons and pads. These products are necessities for women between puberty and menopause.

The government has decided that the goods and services tax should not apply to certain foods because they are necessities. Therefore, the petitioners humbly pray and call upon Parliament to consider removing the goods and services tax from women's sanitary products.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, Question No. 217 will be answered today.

[*Text*]

Question No. 217—**Mr. Fulton:**

Do Revenue Canada and the Department of Fisheries and Oceans have paid informant programs and, if so, how many people have received payments (*a*) in what amounts (*b*) how many were residing outside Canada (*c*) how many were non-Canadian citizens (*d*) how many were government employees (including RCMP and CSIS)?

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I am informed by the departments of revenue and fisheries and oceans as follows:

Revenue Canada, Taxation does not have paid informant programs.

Revenue Canada, Customs and Excise has a paid informant program. A review of their files between April 1984 and November 1991 indicates payments to informants totalling $836,078 with an average payment of approximately $2,900.

Under this program statistical data are compiled based on the number of payments. The department cannot be categoric about the actual number of informants for two reasons. One, a single payment could be split between multiple informants and, two, a single informant may furnish information on numerous case each warranting separate payments.

The department does not specifically record the citizenship of informants. Residency is not known in all cases: However, in at least 30 instances payments were made to non-residents. To their knowledge no payments have been made to government employees. Furthermore, departmental policy prohibits any award to members of Customs and Excise or the RCMP (including CSIS).

Fisheries and oceans does not have an ongoing paid informant program.

[*English*]

Madam Deputy Speaker: The question as enumerated by the parliamentary secretary has been answered.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, if Questions Nos. 193 and 226 could be made Orders for Returns, these returns would be tabled immediately.

Madam Deputy Speaker: Is it the pleasure of the House that Starred Questions Nos. 193 and 226 be made Orders for Return?

Some hon. members: Agreed.

[*Text*]

Question No. 193—**Mr. Fulton:**

Since September 1984 has the government paid informants and, if so, for each department (*a*) what was the total amount paid, (*b*) what the average payment, (*c*) how many charges were laid as a result of such information, (*d*) what steps have been taken to ensure public accountability for such expenses?

Return tabled.

Question No. 226—**Mr. Althouse:**

With respect to Transportation Talks, a public forum on grain transportation, (*a*) how much money has Agriculture Canada and the government spent in their involvement in that forum (*b*) how many Department of Agriculture officials were involved in the over-all project (*c*) how many private consultants or contractors were hired to work on Transportation Talks project (i) what are their names (ii) how much were they paid (iii) when were the contracts for this program signed (iv) what were the directives given to the contracting agencies by the department or the minister (v) when was the contract to be completed?

Return tabled.

• (1530)

[*English*]

Mr. Fulton: Madam Speaker, I was wondering if the parliamentary secretary could indicate whether or not there is some likely date when questions that I have had on the Order Paper for quite some period of time,

whether or not they could be answered in the near future.

Mr. Cooper: Madam Speaker, I believe the hon. member is referring to Question No. 193 standing in his name. This question involved dealing with several departments. It is my understanding that we have just about completed the process and we should be able to give him an answer in the not very distant future. I will certainly check on it to see if we can speed it up.

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

Mr. Fulton: Madam Speaker, I wonder if the parliamentary secretary could indicate when the papers I have requested to be produced could be?

Mr. Cooper: Madam Speaker, as I understand it, the hon. member has two motions for the production of papers. One I understand that the department or officials will be in touch with him to speak with him about it. The other one is again being finalized right now. I would expect that perhaps as early as next Wednesday we would be able to answer it.

As I say on the first one, I understand somebody will be in touch with him to discuss it and to see if they can resolve the question with him.

[*Translation*]

Mrs. Venne: Madam Speaker, I would also like to ask the parliamentary secretary when he intends to produce a response to my Notice of Motion for the Production of Papers with respect to research contracts awarded by the Royal Commission on New Reproductive Technologies.

[*English*]

Mr. Cooper: Madam Speaker, I am sorry, I do not have any information on that particular motion. I suspect that is because it has not yet reached the 45 day time period. I would not have the information unless it was late. I will certainly check on it and see what I can do.

Madam Deputy Speaker: Shall the remaining motions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed from Wednesday, March 18, consideration of the motion of Mr. Charest that Bill C–13, an act to establish a federal environmental assessment process, be read the third time and passed.

Madam Deputy Speaker: The hon. member for The Battlefords—Meadow Lake has eight minutes remaining in debate.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, yesterday afternoon when the time ran out on the debate, I was discussing the matter of policy relating to environmental assessment. At that time, I was talking about the free trade deal with Mexico as being a matter of policy that should be discussed. I will continue that line of debate that began yesterday.

In order to bring in foreign investment and appease International Monetary Fund and World Bank demands, the future of our planet is being, quite simply, sold off at bargain basement prices. Stephen Hasell addressed the committee on behalf of the Canadian Environmental Network. He said: "We think the assessment of the environmental effects of policy and programs should be subject to the over–all legislative framework of Bill C–13".

The essence of our case made by the World Commission on Environment and Development, known as the Brundtland report, can be summarized as follows: human stresses on the planetary ecosystem are now endangering the basic integrity of the system. A good part of

the current problem and a worsening concern for the future is the rising numbers and desperation of the world's poor. The living standards of the poor must be raised substantially if population is to be stabilized and environmental abuses resulting from economic desperation are to be eliminated.

Even if the needed economic improvements are achieved quickly, the human population will increase from the current 5 billion to at least 8 billion before stabilizing. The development effort needed to ensure sufficiency and security for all these people is substantial. For many goods, production levels several times higher than current levels are required.

At the same time, development must ensure environmental sustainability or the economic gains will not last.

Finally, development with environmental sustainability can be achieved only if growth is accompanied by strenuous efforts to improve efficiencies and minimize negative impacts, replace environmentally destructive technologies with relatively benign ones, and respect carrying capacities.

The federal government has refused to respect the urgent case made by the World Commission on the Environment and Development. As a result of the fact that current human demands and practices are not sustainable, steps to combat poverty through sustainable development in poor regions and nations must be accompanied by a sizeable over-all reduction of resource use and environmental impact, especially by wealthy nations and regions like Canada. Otherwise, global deterioration will continue.

At the same time it is important to give credit where credit is due. The federal government agreed to include a commitment to sustainable development in the preamble of the bill before us.

The government also agreed to an amendment which significantly expands the definition of environmental effects to include physical and cultural heritage. There was also agreement to include the Brundtland definition of sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

The government also agreed to amendments that would establish public participation at many important steps within the bill. Unfortunately, the legislation itself does not establish adequate intervener funding, that will be left to the regulations. However, there is no question that room has been made for public involvement in the federal environmental assessment process.

There is also no question that there have been significant improvements to the environmental assessment process itself. With the glaring exception of the screening stage, I was able to win support for amendments which ensure that when a project is to be assessed by a more thorough comprehensive study, a mediation, or an assessment by a review panel the following factors must be taken into account: the purpose of the project, alternative means of carrying out the project that are technically and economically feasible, the environmental effects of any such alternatives, the need for—and this is important—and the requirement of any follow-up program with respect to the project, and the capacity of renewable resources likely to be significantly affected by the project to meet the needs of the present and the future.

The government is to be commended, as is the process during the committee's clause by clause review, for strengthening this important part of the bill.

Another important step the government agreed to in the committee's deliberations was to take into account the impact of any mitigation measures on the decision-making process. Also, the government agreed to examine not only the project being assessed but the cumulative impact of the project and other projects on the environment.

For example, if there was a proposal to build a pulp mill which would discharge a certain amount of effluent into a river and also a proposal to reduce the flow of that river for energy purposes the cumulative impact of the effluent on the reduced flow would have to be assessed.

The government also agreed to extend the protection of aboriginal lands in the proposed legislation. The inclusion of several changes, most notably including consideration of lands in which Indians have an interest and aboriginal lands to which claim has been laid, improves the way in which the bill includes these territories in the scope of environmental assessment.

When all is said and done, Bill C-13, an act to provide for a federal environmental assessment process, represents a major step forward. The existing EARP guidelines are tremendously flawed and inefficient. The court cases dealing with Rafferty-Alameda and the Oldman

Dam attest to that. As well, the inability to effectively assess projects such as Kemano and Point Aconi further underscore the serious shortcoming of EARP's assessment provision.

When this act was first introduced as Bill C-78 and then reintroduced as Bill C-13 was worse than the existing guidelines. The bill was drafted to please major developers and made it permanent open season on the environment. There is no question that the acceptance by the government of so many of the amendments brought forward during the committee stage went a long, long way toward developing the type of environmental legislation more appropriate to the needs of this country.

The recent acceptance of the concept of the five-year review represents a further step in this long journey toward a delicate and important environmental assessment process.

• (1540)

However let us make no mistake, as I have said earlier there are serious flaws with the bill. It is not the bill we would write if the New Democratic Party were the government in this country. Many of these flaws were consciously put in the bill by members of the cabinet. This government refused to accept attempts to move amendments to further protect Canada's environment by fixing these flaws.

I serve notice to the government and the members of this House that I and my colleagues in the New Democratic Party will work, and work hard, to introduce changes to this legislation in the period during this five-year review to leave Canadians with a better environmental assessment process and, we hope, therefore a better environment for the generations that will come after us.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Madam Speaker, I would like to ask a question of my colleague who just made an eloquent speech. I know that he worked very hard at the committee regarding the report stage of the bill that is now in third reading, and I want to ask him what he thinks of the consideration of this bill. At a time when there is a lot of talk about constitutional issues, at a time when we wonder, for instance, about the degree of jurisdiction that the provinces should have, at a time when the three main federalist parties all say that they are open to a constitutional renewal, would the hon. member not prefer that this debate take place only in a few months, so as to avoid this whole issue of federal-provincial jurisdictions, and instead give serious thought to what should be a true environmental bill in terms of exclusive federal jurisdiction, and to leave to provinces their own jurisdiction? Like the Canadian Electrical Association says, this bill deals with just about everything but it does not solve the environment problem in a thorough manner.

This legislation will only delay hydroelectric projects and other initiatives that have no impact on the environment. Because of all those delays, and I am talking about delays that are not fixed but that can be extended as much as we want, in the context of the bill this could affect investment planning and those investments might well be made in other countries precisely because our jurisdiction is not clear. We already know that with such a bill, and Minister Paradis from Quebec said so yesterday, we open the door to all kinds of judicial procedures in order to determine which government must intervene: the provincial or the federal.

Does my colleague wish, as a champion of the environment, for this debate to take place in a few months, once we have defined what kind of Constitution we will have in Canada? Are we heading toward sovereignty in Quebec, with two governments having important central powers and with joint economic arrangements? Or are we heading towards a redefinition of Canada, as the three federalist parties hope, with a well defined distribution of powers, for example in the energy sector, like the Beaudoin-Dobbie committee was told? Since this whole debate is not over yet, are we not throwing oil on the fire with such a bill? Are we not thwarting the legitimate aspirations of some provinces like Quebec, which has always wanted better jurisdiction as regards the environment, a full and comprehensive jurisdiction, without constant interference from the federal government to slow down its economic development?

I ask my colleague if he has given some thought to that issue and if he is prepared to share his views with us.

[*English*]

Mr. Taylor: Madam Speaker, I am happy to try to answer this question. On numerous occasions in this House I have expressed my belief that the environment is a matter that knows no provincial boundaries, it knows no political or historic boundaries created by humans. The environment extends beyond those artificial boundaries, whether they are created by politics, history, heritage or whatever.

I have always looked at the development of this bill first in terms of the protection of the environment and second, in terms of the way in which the various players in this country would fit into it.

I was not surprised by the remarks of Mr. Paradis that appeared in the media this morning. However, I was a little surprised at the time it has taken for those remarks to come to our attention.

The bill has been with us for over two years. It is a bill that has had considerable attention inside and outside the House of Commons. If I am not mistaken it is a bill that was originally drafted when the member for Lac-Saint-Jean was the Minister of the Environment. It took into account a number of jurisdictional areas.

The bill, as I read it, goes no further on the environment than what was recommended by the Supreme Court of Canada in the Oldman Dam decision. As I recall all judges were of the same opinion on the jurisdictional issues regarding the environment. This bill simply reinforces the Supreme Court decision.

I listened very carefully during committee hearings when the Council of Ministers of the Environment, then represented by the provincial minister of British Columbia, was heard. The Council of the Ministers of the Environment is now headed by the federal Minister of the Environment. At that time there was a fairly strong representation about the ability of the various jurisdictions to work hand in hand.

Although it has some faults, the decision of our committee on the joint review panels very successfully dealt with this area of jurisdiction. While the federal authority is in essence paramount, the joint panels have a significant participation from within the provincial offices. The joint panels, when they are convened, will serve the environment and provincial needs quite well.

Therefore, at least in this part of Bill C-13, I feel quite comfortable with the direction that has been taken. I feel that the government and the committee have taken the correct steps in this regard.

[*Translation*]

Madam Deputy Speaker: There are two and a half minutes left in the debate. Does the hon. member for Richelieu wish to speak?

Mr. Louis Plamondon (Richelieu): Madam Speaker, the previous speaker stated that the environment is neither a federal nor a provincial matter, that it knows no boundaries. That is fine, we all agree on that, but this does not mean that the environment is not managed as well when it is managed provincially rather than, federally. That is my point.

Why this overlap, this duplication of efforts, as it is referred to by the Canadian Electric Association, by the Quebec government—because this encroachment Mr. Paradis talks about would have an impact—when there are very well defined provincial jurisdictions which are, indeed, very well managed? This environmental clause will empower the federal government, upon granting any amount as a result of its spending authority, to get involved in them environmental assessment of the operations of small and medium sized businesses despite the fact this is a matter over which Quebec has exclusive jurisdiction. That is why Mr. Paradis expressed concern although he is a known federalist. He says the same thing happens with regard to energy, forestry, transportation and so on. We could go down the entire list of ministries. He calls it a real Trojan horse.

• (1550)

The point I wanted to get across to my hon. colleague is that federal involvement in environmental matters does not mean a better environment. Everybody wants a better environment, but when the province is perfectly capable of providing this better environment, why would the federal government get involved, thus doubling the costs?

[*English*]

Mr. Taylor: Madam Speaker, the specific example the member points out, which is that if the federal government wants to get involved in a matter of environmental assessment with a province it can simply grant money to that area and then require an environmental assessment, stretches the point to a considerable degree.

We have been critical of the government's approach in the regulation making process, which is that there will be exemptions and there will be inclusions. As the hon. member for Davenport said the other day, you are either in or you are out or you are out or you are in. Those sorts of matters, as far as the regulations are concerned, have been of great concern to us. However it has been on the major bigger projects that we have expressed concern.

As for the matter of granting funds strictly for the purpose of conducting an environmental assessment, the federal government has many other ways in which it can participate in an environmental assessment process if there is a fear that the environment will be compromised.

The essence of this bill is to ensure that the environmental assessment process is available to us should we need it. Regardless of how we get to it that is the bottom line and what is important in this case.

Mr. Ross Stevenson (Durham): Madam Speaker, it gives me great pleasure and some feeling of personal satisfaction to rise in the House today to speak during third reading of Bill C-13, the Canadian Environmental Assessment Act.

I have the honour of being the chairman of the committee which pre-studied this bill. I am pleased and proud to see that there were so many positive changes made to the bill while it was in committee.

The quality of the witnesses and the expertise of the department staff was most impressive throughout our long study period.

It is the view of this government that the legislation before us today will help us to take a major step forward in our nation's campaign to anticipate and prevent environmental problems before they happen.

Bill C-13 is central to the over-all goal of Canada's green plan, which is to secure for current and future generations a strong and prosperous economy and a safe and healthy environment. In fact, the government believes that the Canadian Environmental Assessment Act will result in an environmental assessment process which is more powerful in its impact on decision making than any other environmental assessment legislation in the world.

During various speeches in the House over the last couple of days, and certainly in some of the comments made in committee, various individuals or groups were quite critical and some remain quite critical of this bill. It is important to examine what other environmental leaders around the world think about what is happening with this legislation in Canada.

I would like to refer to a letter which came from the head of the environmental assessment group in Holland. This is an unsolicited letter written to Mr. Ray Robinson, who was the former chairman of FEARO.

The contents of this letter were read into the proceedings of the committee at an earlier date, therefore I only want to highlight a couple of sentences. The letter is from Mr. Jan Jaap de Boer, head of the environmental assessment department of Holland, which has one of the best—if not the best—environmental legislations in the world at the present time. He writes:

> We, the whole EIA-department, would like to congratulate you and FEARO with this milestone. These new elements will bring Canada back to the lead in E. I. A. regulation. And give us inspiration for new developments.

This hardly sounds like some of the comments that have been made at various times by certain groups here in Canada. He goes on to list some of the new developments in the Canadian act that are particularly important in the development of environmental assessment legislation on a world-wide basis.

I think we can say that this is now the best, or one of the best, pieces of environmental legislation in the world.

For the first time the act will entrench in legislation this government's desire and obligation to integrate environmental factors into planning and the decision-making process in a manner that promotes sustainable development. It will empower decision makers to make practical, responsible and informed choices.

As such, the act sets out clearly in law the roles and the responsibilities of all participants in a project development. It provides additional opportunities for public participation in all phases of the process, especially in the assessment of major projects. It requires that the process be administered before a federal decision can be taken to proceed with the project.

The intent of this legislation is not to stop development but to ensure that it proceeds with full knowledge of the potential impact of a proposed project on the ecosystem—our air, water, land and living organisms. The process helps factor environmental effects into project proposals in much the same way as cost resources and labour are regularly considered.

In fact, one of the greatest benefits of this legislation is that it will streamline the federal environmental assessment considerably and make it more efficient and effective.

As many hon. colleagues are well aware, efficiency is very important. If we are to make environmental assessments central to our process of decision making then it goes without saying that this process must identify environmental impacts as expeditiously as possible. This is important to both business and governments alike.

I would like to add that just because it increases efficiency and effectiveness does not necessarily mean that it is just a rubber stamp for projects. The importance is that environmental factors will be considered early. A decision will be made and the process will then either proceed or not proceed.

In the time allotted to me today I want to highlight just a few of the features of the new Canadian Environmental Assessment Act. First, the act ensures that resources are focused where most needed by dividing projects into categories according to their degree of environmental risk. In this manner the act ensures that projects posing the greatest environmental risk receive the most attention.

The act also requires that the cumulative environmental effects of a project in combination with other projects or activities be reviewed. As well, the act ensures that public comments and concerns, and technically and economically feasible measures for mitigating any environmental effects are considered in the assessment.

The act also introduces features to streamline the public review process.

• (1600)

The act introduces, for the first time, mediation as a means of making the public review of major projects more efficient. Mediation ensures that all environmental facts are reviewed, but without the formality, length and cost of a panel review.

We have also listened to the concerns of provinces regarding efficiency. In the Canadian Environmental Assessment Act this government has provided measures to permit joint assessment with the provinces with the intention of minimizing the duplication of assessment processes.

Another way in which this legislation will streamline the federal environmental assessment process and make it more effective is by giving review panels, for the first time, the power to subpoena witnesses and information required for the assessment. Currently review panels rely solely on the good will of participants.

Further, to ensure that the new process is effective it incorporates a requirement for feedback programs. The Canadian Environmental Assessment Act requires that follow-up and monitoring plans be prepared as part of the final assessment report on major projects.

The Canadian Environmental Assessment Act is a product of more than four years of broad consultations with a wide spectrum of Canadians. The act has benefited from the contributions of governments, the private sector, native peoples, environmental and other non-governmental groups, the legal community, environmental assessment professionals and individuals.

Common sense tells us that an efficient and effective environmental assessment process saves time and money in the long run. By integrating environmental factors at the planning stage business and governments avoid expensive and sometimes controversial remedial action programs.

The Canadian Environmental Assessment Act is an expression of this government's commitment to a healthy and competitive future. It will help us to sustain an environmentally sound and economically prosperous future for all Canadians.

As I have followed this bill for the last year and a half or more there have been many stages and many changes during the activities of the committee. The evolution of this bill reflects at least two things.

First, it reflects a willingness to change and be progressive in the development of environmental policy within the government. It also reflects the very rapid advancement of environmental legislation on a world-wide basis.

The changes that were made in committee keep this act at the forefront of environmental legislation in the world.

In summary, I hope that hon. members in this House and in the other house will see the benefits of this important piece of legislation and be able to support the passage of Bill C-13, the Canadian Environmental Assessment Act.

Mr. Jim Fulton (Skeena): Madam Speaker, I just have a short question for my friend. I know that as chair of the committee he has a great body of knowledge in relation to this legislation. I am particularly interested in his views on the regulatory powers because, as he knows, the majority of witnesses who appeared on this legislation were concerned that the sleeping giant of Bill C-13 is really the 15 sets of regulatory powers. I would like to hear from the member whether he thinks it would be appropriate to have a regularly scheduled process or a regularly legislated method by which members could get at these regulations. As he is probably aware, the proposals for exemptions would include major linear development such as highways, transmission lines, pipelines, airports—those are all exempt from comprehensive evaluation—abandonment of rail lines, and twin tracking. There could be an initial environmental evaluation but no comprehensive review.

Now we have the parliamentary secretary trying to cause trouble. I am addressing my questions to the member who just spoke.

New rail lines of less than 100 kilometres in length would be exempt, port facilities, certain kinds of industrial facilities, including the decommissioning of them, nuclear reactors of less than 30 thermal megawatts would be exempt; mines of less than 10,000 tonnes per day, regardless of what they are producing, dams that would restrict at less than 100 cubic metres per second, the modification of national parks as long as the government is not going to take more than 10 per cent out. That would be exempt from any kind of comprehensive review.

I do not want to list too many, but I wonder if the hon. member could comment on whether or not he thinks exempting those classes of projects through regulation is appropriate, and whether or not he believes that there should be an opportunity for regulations to be brought before Parliament so that they can be properly reviewed if, say, for example 20 members felt that such a requirement was necessary.

Mr. Stevenson: I think the hon. member used the term that these things "would be exempt". I think possibly he, as usual, could have used the term "could be exempt" because at any time when there is any public concern over any particular project, the Minister of the Environment has the power to call a panel to examine any project that he feels warrants an examination. Certainly if there was any significant public concern about a project, I have no doubt that in the future the minister would take the appropriate action. There are a number of options that the minister has under the current legislation.

In addition, it is quite possible that some of the projects that the member raises could be handled, or would be handled, under class assessments. Further, if there are any escapes, if you will, of things that in the public view possibly should be reviewed, the five-year review process that is part of the act will certainly allow for changes to be made in the not too distant future.

[*Translation*]

Mr. Gilles Rocheleau (Hull—Aylmer): Madam Speaker, I would like to ask the hon. member for Durham whether Quebec's objections were given any consideration. As you know, the Quebec environment minister, Mr. Pierre Paradis, sent a telegram on Monday to his federal counterpart. There have been some major objections from the Quebec government, which incidentally, just passed a resolution to once again inform the federal government that it would not consider talks with 11 and certainly not with 17. The National Assembly's resolution specifies the need for bilateral negotiations, either with the federal government or the provinces.

My question is this: Is this one more attempt to make matters worse and cause a complete breakdown of relations between the Quebec government and the federal government? Is that the ultimate objective?

It was said earlier that several months or perhaps years ago, the leader of the Bloc Quebecois, the hon. member for Lac-Saint-Jean, tabled this bill in the House of Commons. I may add that the bill was modified since that time. Meanwhile, the Meech Lake Accord was shot down.

• (1610)

I wonder whether the hon. member could tell me whether he realizes that once again, the Quebec government's rights are being violated and once again, the Government of Quebec is objecting. Remember, this is not a separatist government, this is Robert Bourassa's government objecting through Environment Minister Pierre Paradis, who is not known as a sovereignist.

I would like the hon. member to tell me whether he is aware of what is being said about this in Quebec City and whether the government intends to wait before proceeding with the final stages of this bill.

[*English*]

Mr. Stevenson: Madam Speaker, I was somewhat surprised at the nature of the press report of this morning relating to the statement from the Quebec government. Certainly, while I was chair of the pre-study committee, the committee sent out a notice to all individuals and groups across Canada, including ministers of environment for all provinces and territories, that we were holding public hearings and inviting anyone who wished to appear at those hearings, and stating that we would be pleased to hear from them.

The minister of the environment for the Northwest Territories chose to appear and the minister of the environment for British Columbia, who at that time was chair of the Canadian Committee for Resource and Environment Ministers, appeared on behalf of the ministers of environment across Canada.

They expressed the concerns of their respective groups at that time. Indeed, the chair of the Committee of Environment Ministers brought with him a number of amendments to the bill, some of which were accepted in one form or another in the new legislation. Certainly, there has been ample opportunity over the last many months for Quebec to state its concerns. I am quite confident that there have been bilateral meetings along the way between federal officials and provincial officials and I would think between the federal minister and the Quebec minister of the environment on this bill through its development.

The bill as it is written today reflects the differences which exist from province to province in the provincial environmental assessment legislation. In the provision for joint panels, where they are necessary, that sort of flexibility is written into the current act to adjust for the unique situations from province to province.

As a federal government, it is our obligation to assess projects that are being funded by federal tax dollars. One could not consider a situation where federal taxpayers' dollars were going to projects in any part of Canada with some environmental implication and the federal government would choose to ignore the assessment of those projects.

It seems to me the bill is adequate as written for the situation at hand.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, Bill C-13 provides a framework or structure for procedures which I hope will be improved as the legislation is implemented. Although it does not respond to all the concerns of Canadians, it describes an environmental assessment process, which is a significant step but does not, I repeat, does not specify which projects will be subject to assessment and how the legislation will be implemented. We will get that when the Governor in Council has had a chance to look at the regulations and as soon as a thorough and, I imagine, complex study of the appropriate regulations is published.

These regulations may establish which projects will be subject to environmental assessment, unlike the present bill which does not provide that information. They will also tell us what decision will set the environmental assessment process into motion and how other levels of government will be involved, and this may answer one of the concerns of my friends in the Bloc québécois. For instance, how will aboriginal governments be involved? I do not know. I do not know yet. That will depend on the regulations.

[*English*]

I am pleased to have the opportunity to address the House on this important bill which establishes, in my view, a more effective environmental assessment process which replaces the EARP guidelines that we had for some time.

As I said in speaking on its predecessor bill, Bill C–78 from the previous session, the principle behind this bill is a good one. No one can dispute the importance of determining the environmental impact of projects before they are begun.

The federal government and other levels of government must be leaders in this area. As we have learned, much to our distress sometimes, and it should be something that all Canadians understand, it is easier to avoid environmental disasters, environmental damage, in the first place than to try to repair it later. That is essentially the purpose at hand.

Too many environmental mistakes have been made in the past because of our collective negligence. Because I have been, like many members in this House, preoccupied with other committees, I have not had a chance to sit on this committee, but I have an interest in it because in my riding it is the number one issue.

When I ask constituents to list the number of issues and the priority in which they see them, they list environment and their jobs as being those two preoccupations to which they think we should attach importance.

Bill C–13 which is before us on third reading has come a long way in my view from its predecessor bill, Bill C–78. It is significantly improved, although I admit it still has some flaws. I want to give credit to those who worked on this committee and pay tribute to a member of this House, the member for Davenport, who has in my view, brought forward his work, his expertise, his advice and his concerns. He has improved this bill by being very much interested in environmental questions. Yesterday the Canadian environmental assessment caucus stated in its press release: "It is best to look at this legislation as a glass half full rather than half empty".

• (1620)

This group which includes environmental lawyers and advocates from organizations across Canada noted in its press release that there are still many improvements that can be made to this legislation.

I want to list some of the issues that the Canadian environmental assessment caucus put forth. First, it said that the environmental review process should apply to government programs and policies, not just projects which would include the North American free trade deal.

Second, the definition of federal authority should include federal agencies such as the Harbour Commission. I will come back to that in a few minutes because I have some suggestions of my own to make.

Third, the right of the public to participate in the process should be less discretionary and spelled out in more detail.

Fourth, every screening and study should include determining the purpose of and need for a project, the alternatives to the project, and ultimate means of carrying out the project.

Last, the bill should contain stronger powers to enforce compliance with the assessment process.

The bill still leaves the minister in charge of a project rather than the Minister of the Environment with the power to decide whether a project should go ahead. This leaves the process open to possible political interference.

The environment should not be sacrificed for political gains.

[*Translation*]

On a loftier plane we could say that the environment is a moral and social responsibility. Each and everyone of us is aware, now more than ever before, of the importance of preserving our environment and, especially, of being wary of polluting substances which have often been a source of environmental problems.

In Ottawa—Vanier, in my riding, for instance, I have had some experience with projects that were environmentally harmful and had not been examined or assessed for the impact they would have on the environment. However, thanks to a local organization, which I mention here because they are people from communities in my riding, we were able to prevent construction of an incinerator in Overbrook, which the regional govern-

ment had planned to locate right in the middle of a town. The plan was to build an enormous stack, burn waste and in the process cover the community with all kinds of toxic substances. The project was cancelled because people got involved. They held public meetings, they had consultations, and they managed to make their point.

It is possible to improve the consultation and co-operation that takes place as part of an environmental assessment process. In my riding, I had problems with interprovincial transport, with trucks usually bound for Quebec, from one of Ontario's industrial areas. These trucks use the Queensway-Dalhousie-Besserer-Cumberland-King Edward corridor and cross the Macdonald-Cartier bridge on their way to deliver their goods to one of the pulp and paper mills or one of the organizations or industries on the Quebec side. The different levels of government must be able to agree on solutions for the shipment of materials and other goods that can be dangerous, toxic, et cetera. The municipal, regional, provincial and federal governments must be able to agree that we face a serious environmental problem. One accident is all it would take.

Every day in my riding, between 2,200 and 2,500 trucks use the route I just described between the Queensway and the Macdonald-Cartier Bridge right in the national capital, Ottawa. Between 2,200 and 2,500 trucks a day means that about four heavy trucks spill pollutants, make noise and are a safety hazard and they can have accidents. One unfortunate incident and people will scream murder. They will say that we were negligent.

If I understood right, this Bill C-13 gives us an opportunity to work together, to decide together, to ask the various levels of government to agree on solutions and alternatives, for example so that future generations do not have to bear the financial burden of cleaning up when we here today can take the required regulatory action to ban pollutants.

Some claim that the bill before us gives too much discretionary authority to the minister and that it even protects the government from legal challenge. To be sure, Bill C-13 will change some of the things that some governments and agencies do. It may even change the behaviour of the federal government itself, which is not above reproach on this issue.

I remember that in 1987, in this House, the Bank of Canada was found guilty of negligence in choosing an illegal carrier to dispose of its toxic wastes. We will remember that. As a result of this negligence, the selected carrier dumped 45 gallons of paints, varsol and other solvents down a sewer on Power Road in Gloucester. As we know, this sewer is connected to the Green Creek Pollution Control Plant, which empties into the Ottawa River. The departments of Transport and Supply and Services were also accused of breaking the law by dumping toxic waste and chemicals in the Ottawa River.

Listen to what happened later. Instead of accepting the courts' verdict that the federal government was guilty, the federal government went to court claiming that the provincial law and provincial legislation in general did not apply to the federal government. That was in 1987; that was not centuries ago, but barely four or five years back.

It is important for us in the federal government not only to preach by example but also to implement environmentally friendly measures. We must regulate but also implement administrative measures to choose wisely in awarding contracts so that departments do not do things like what happened in 1987.

Similarly, Public Works Canada, an important government department, should involve my constituents so that they can express themselves and consider not only the environmental dangers but also the public welfare when it decides to do certain things like sell land. In Carson Grove, which is located in my riding, not far from here to the east, Public Works plans to sell and the Canada Mortgage and Housing Corporation is actually selling land for housing development or other purposes without knowing what impact the future use of this land will have.

• (1630)

If Bill C-13 is passed, departments and agencies such as these will be subject to a strict screening regarding the purpose of the project and its environmental effects, if the minister so decides.

Take the Vanier Parkway, in my riding. Many people oppose a project to make it connect the Queensway to the Macdonald-Cartier bridge to ease the interprovincial traffic. For years now, twenty years for sure, this matter comes to a head at every election. Someone raised the question of whether we should extend, complete the Vanier thoroughfare. For one thing, it is a parkway, not a thoroughfare. Second, the land was sold to the regional

municipality by the federal government, through the National Capital Commission. The NCC sold the land for the purpose of building a parkway with restricted access to trucks. No trucks over five tonnes were to be allowed. Go and see if the police and the municipal authorities are enforcing that provision of the contract.

As I said, if a link is created by extending the Vanier thoroughfare, or parkway rather, to facilitate interprovincial traffic, it would be totally unacceptable that the federal government be party to a deal that is going to destroy the quality of life in my riding. What for? To allow dangerous materials and other goods to travel through the city of Ottawa, when many other alternatives exist. Bill C–13 calls for, suggests and provides that not only the impacts but also possible alternatives be investigated.

[*English*]

If there is a hook in that proposed extension of the Vanier arterial which has a federal implication, I can say right now that we will fight that project, and I think we are right to do it.

I notice you are giving me a signal, Madam Speaker, that my time is just about up. I have two minutes.

The stated purpose of the bill mentioned in clause 4 includes ensuring that environmental effects projects receive careful consideration, encouraging responsible authorities to take actions to promote sustainable development in order to achieve and maintain a healthy environment and a healthy economy, and ensuring opportunities for public participation in the environmental assessment process. These are certainly worthy objectives. It is my hope that this government will take them to heart when it applies legislation to projects. I hope it will ensure that the regulations have teeth and are strong enough that we are caring for our future and making sure we do not pollute.

I want to make sure that the NCC, the National Capital Commission which is an agency of this government, a Crown corporation, is covered by this bill. I know clause 8 of the bill says Crown corporations within the meaning of the present administration act are covered and it refers to another clause for the regulations. The regulations are very important to us because they will give us the direction the government wants to go in.

I end this short comment by saying that Bill C–13 is an important, positive step in joining concrete actions to symbolic commitments for a better protection of our environment. I hope the regulations that go with this bill will carry enough weight, as I said, to ensure an effective and much improved environmental assessment process.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Madam Speaker, the member for Ottawa—Vanier made an excellent speech, particularly since he wanted to protect the interests of his constituency. At one point, he also talked about the political stakes of this bill. He said that this legislation would keep provincial and federal governments from doing too much politics with the environment because, in his opinion, the environment is very important. He added that everybody was interested in the environment and that it was necessary to keep politicians from making politics with that. He also said that the federal government must not interfere in his constituency in Ottawa. There is a bit of contradiction in that.

I believe that this bill is probably acceptable for the small provinces that do not have the resources to tackle the environment issue. However, the larger provinces such as Quebec and Ontario should be the first to decide, because they can afford to conduct their own environmental assessments. That would keep the federal government from interfering and bothering businesses that want to settle in those provinces, as well as delaying economic projects, for instance in the province of Quebec.

This is the big problem that the bill will create by enabling the federal government to encroach on provincial jurisdictions such as Quebec, which has its own department of environment, as well as the resources to conduct its own assessments, in the same manner, to protect the environment. Why would the federal government again interfere and take on more power in Quebec if the government of that province objects to that? I want to tell you, Madam Speaker, that the Quebec National Assembly just voted, five minutes ago, on a motion which says: "That the National Assembly strongly disapproves of Bill C–13 of the federal government, an act to

establish a federal environmental assessment process, because it is contrary to the higher interests of Quebec, and that the National Assembly opposes its passage by the federal Parliament". I just received that motion which the Government of Quebec approved unanimously just a few minutes ago.

I say to the member for Ottawa—Vanier that we who represent the Bloc Quebecois and who are here in this House strictly to defend the interests of Quebec, believe that this bill is unacceptable for Quebec. We considered this bill to be unacceptable for Quebec even before the vote taken by the National Assembly. The Quebec government just confirmed our opinion and Premier Bourassa, who is not a sovereignist, says that this legislation will harm the economic development in Quebec, adding that Quebec is quite capable of solving its environmental problems. I have a question for the member for Ottawa—Vanier. First, what does he think of all that? Second, he said earlier that there were some political stakes and that the bill would keep politicians from making politics with the environment because the environment is very important. I personally consider this to be a very important issue as well. However, I believe that just the opposite will happen with this bill. There will be chaos again regarding powers.

Mr. Gauthier: Madam Speaker, I did not say the bill was the invention of the century. I did not claim either that it satisfied everybody. I simply said that it was a step in the right direction. If the hon. member thought that I was taking it out on the federal government, he was mistaken. The federal government should support the environmental assessments which, maybe, could show us that a project is not good or that there are alternatives to it.

• (1640)

If I fully understood the bill—and I admit that I have not examined it clause by clause, like several of my colleagues, but rather that I read it and examined it in my own way—one of the positive aspects that I recognize and see in it is certainly the establishment of a formal assessment process and a joint review mechanism in the case of conflicts between levels of government.

I talked about my riding which, being situated in the national capital region, occupies a key place in interprovincial transportation. I think that the Quebec side cannot go it alone and say: "Too bad, but we do not care about making it easier for trucks to carry materials into our province. We are not interested in finding out whether it is a good thing or not to allow such a road link between two places". I think the bill suggests a framework for different levels of government, federal or provincial, native or provincial, federal or foreign. I refer particularly to the United States.

Today reviews are undertaken on an *ad hoc* basis. Somebody makes a decision but there is no structure, no formal framework. That is precisely what the bill provides, a framework for the process, but we have not seen the regulations. I ask hon. members to wait a while, like we all do, until we see the regulations. We will have an opportunity to discuss them further in the House. Reviews will be made regularly and five years from now maybe we will look at the bill and realize that it was not appropriate, that it did not help to solve the problem. We will see. But we should not say today that the measure is bad because it provides a framework, and I feel this is a positive aspect, as it allows the establishment of a formal process for joint consultations between different levels of government.

If the Quebec government or the Quebec legislature voted against Bill C-13, I will wait to see the results. I did not understand why, but perhaps I missed something, I admit.

Mr. Alex Kindy (Calgary-Northeast): Madam Speaker, I agree that the environment is extremely important for our society but, nevertheless, it is up to the provinces to determine whether they have the means to go ahead with a given project.

I would like to quote, for example, Mr. Klein, the environment minister for Alberta, who appeared on November 19, 1991, before the Legislative Committee on Bill C-13, an act to establish a federal environmental assessment process. I would like to quote what he said on page 10:

Very simply, we believe the federal government should recognize, if the provinces have in place a process, and if that process is as good as or better than the federal process, that as a legitimate process to adjudicate the environmental worthiness of various projects.

I think that is the key. If a provincial government has a department of environment, it should be capable of deciding what is good for the province. Otherwise, we will have a conflict between the federal and provincial governments, and I would like to quote the minister again: " By getting into those kinds of issues, we think the federal government would be clearly intruding on the province's constitutional rights to determine destiny over their resources".

This is fundamental. Provinces should have jurisdiction over environment—obviously with some co-operation from federal experts if necessary—and should have the last word.

Mr. Gauthier: Madam Speaker, I understand the interventions of the members for Longueuil and for Calgary Northeast. I should not have to repeat that way back in 1984 we started talking about the possibility of bringing in legislation to try to implement a better framework. It has been quite a while. Now we have reached the last stage, the third reading of the bill, and some members would like to start over, to have this House re-examine all of that legislation. I am not a government member. I am part of the opposition, but I want to tell them that this bill is not all bad. I simply want to say that I can feel a possibility for co-operation among all levels of government—federal, provincial, municipal or regional—with a view to coordinating efforts in order to ensure a more complete and more efficient evaluation of all environmental projets. That is all I said today.

I understand that some provinces might say: "Our environment is our business; the air we breathe is our business; the water we drink is our business". I understand, but it just so happens that our country is huge and that we must take into account the relationship between provinces. All I am saying therefore is that there might be in Bill C-13 a begining, a step in the right direction toward a better co-operation between all levels of government. What to do about those who do not agree? Pray for them.

[*English*]

Mr. Brian O'Kurley (Elk Island): Madam Speaker, in light of the discussion that has gone on in this debate with regard to the attention paid to the bill now before this House by other legislatures and by other jurisdictions, I thought it was important to address some of the concerns with the press release that has just been released by the Minister of the Environment in Vancouver.

Generally the release outlines some of the background of the bill and some information that I think is very pertinent to the debate. Much of the controversy, as we know in the parliamentary business, is sometimes based on misinformation or a lack of information. So I would like to take this opportunity to just go through the press release that was released in Vancouver today and perhaps it will resolve some of the questions put before this House.

The Minister of the Environment disagrees with Quebec's reaction to the bill on the federal environmental assessment process which is presently at its third reading in the House of Commons.

The minister reiterated that the purpose of the bill is to assess decisions that are to be made by the federal government within its own jurisdiction and that it only applies in these circumstances.

In his public statements, Quebec's environment minister raised a number of issues which must be addressed.

With regard to the background, in 1987, having recognized that the federal guidelines order for the environmental assessment of federal decisions was seriously flawed, the Government of Canada initiated the preparation of a bill to regulate the environmental assessment of its decisions.

The proposed legislation was frequently discussed in federal-provincial meetings and in June 1990, the government tabled Bill C-78 concerning an environmental assessment process. Discussions with the provinces were then intensified in the context of the Canadian Council of Ministers of the Environment.

The bill was reintroduced as Bill C-13 in May 1991 in the new parliamentary session. All the provinces and territories, including Quebec, were kept informed of the progress of the bill and the contents of the amendments were the subject of several multilateral and bilateral meetings.

On December 9, 1991, the legislative committee responsible for reviewing the bill tabled its report in the House after having heard a number of witnesses including provinces.

The bill has now passed all stages of the federal legislative process and today is in third reading before being forwarded to the Senate.

• (1650)

Regarding the question of federal jurisdiction, it is the duty of a modern responsible government to equip itself with tools to assess the environmental implications of its own decisions. In the Oldman River case the Supreme Court of Canada unequivocally concluded that: "The Constitution Act, 1867, has not assigned the matter of environment *sui generis* to either the provinces or Parliament. The environment, as understood in its generic sense, encompasses the physical, economic and social environment touching several of the heads of power assigned to the respective levels of government". That is from page 62 of the judgment. The Supreme Court also firmly established that the federal department responsible for the environmental assessment process could not use it: "as a colourable device to invade areas of provincial jurisdiction which are unconnected to the relevant heads of federal power".

The minister noted that this bill was drafted carefully to respect jurisdictions and the decision of the Supreme Court of Canada. It will be applied in the same fashion.

With regard to agreements with the provinces, contrary to the existing guidelines order the new bill recognizes the environmental assessment processes of all Canadian provinces. It will be possible to negotiate framework agreements with each province and territory to avoid duplication and encourage joint approaches in cases of shared responsibility while being respectful of the decision-making powers of each level of government.

With regard to spending powers, the existing guidelines order, as well as the new bill, covers all the decisions that the government may be called upon to take in respect of a project or an activity. The federal government continues to ensure that environmental assessments are completed before projects are financed. However, money transfers, made within general federal-provincial agreements which may generate projects, may be submitted to provincial procedures. In all other cases it is always possible and desirable to adopt an approach which encourages joint assessments involving both levels of government.

With regard to the application to the James Bay Northern Quebec Agreement area, this agreement is one of the claims which provide for an environmental assessment process. The Inuvialuit Agreement is another example, and agreements applicable to Yukon, the Tungavik Federation of Nunavut territory and the Gwiichin territory are also being negotiated. To avoid duplicating the federal process provided for in all these agreements the government provided itself substitution powers which it could use when required.

The issue with respect to the James Bay Northern Quebec Agreement is not to overcome federal-provincial duplication but rather duplication which is internal to the federal government, and the government provided itself with the tools required to avoid such situations.

With regard to native territorial claims, the bill does not cover the lands claimed by native people as it has been suggested. The selected lands mentioned in the bill refer to lands selected by both levels of government after a claim has been negotiated and an agreement concluded between all parties involved in order to transfer these lands to the native people.

On the issue of transboundary projects, the bill gives the federal Minister of the Environment the power to exercise his responsibilities in cases in which more than one province or territorial authority are involved. However, when two provinces agree on an environmental assessment of a transboundary project the federal government is not involved.

The federal involvement in this area of federal jurisdiction is triggered only if the provinces concerned are unable to reach an agreement. However, if requested to do so by citizens whose property rights are affected by the project the federal minister has the duty to review the situation and ensure that the ongoing environmental assessment complies with the basic criteria specified in the act.

The minister is convinced that the decision-making system which permits the integration of the environmental factors proposed by the government to guide its own decisions, complements the assessment procedures that all provinces and territories have instituted. He encour-

ages Quebec and all other Canadian provinces to initiate the necessary discussions to conclude the administrative agreements necessary for efficient management when projects involve shared responsibilities.

That is where the press release ended. In summary, the intent of the bill is not to overstep provincial jurisdiction but simply to foster and facilitate a new era of provincial and federal co-operation. Responsibility for the environment does not end at the boundary of a province.

The environment does not know provincial boundaries. In fact, the environment does not know international boundaries. Just recently the Government of the United States of America joined together with the Government of Canada in agreeing on a historic acid rain agreement.

This is but one example of governments taking leadership in developing partnerships to resolve environmental issues. This is a very important example demonstrating the way to resolve problems that are of a global nature. Many of our environmental problems are not isolated or limited to provincial, municipal, or for that matter national jurisdictions.

They are of a global nature and require global solutions to solve them. The first step in achieving these solutions is forming partnerships. As for the concerns expressed by some of the members, it is important for them to consider that partnerships would have to be forged between provinces and between a province and the federal government.

The old style and the old approach of confrontation is them against us and me against you. That has proven not to work. That is the old way and not what Canadians and citizens of the world are looking for. The citizens of the world are looking more and more at partnerships, shared responsibilities and co-operation.

I believe this is an important bill. It is a bill that clarifies some of the concerns that have been expressed in the past with regard to environmental assessment. The bill does not intrude on provincial jurisdiction. It simply applies only to those areas in which the federal government has a defined role.

[*Translation*]

Mr. Gilles Rocheleau (Hull—Aylmer): Madam Speaker, we all know that the environment is a major issue. Nobody questions the fact that we must do everything in our power to protect it. But with Bill C-13, and it is one of the main reasons the Bloc Quebecois is here in this House, it is a matter of protecting Quebec's best interests.

In this case, Quebec's National Assembly has unanimously passed a motion this afternoon which says: "That, as required by an unanimous motion of the commission for development and facilities, the National Assembly strongly disagrees with the federal government 's Bill C-13, an act to establish a federal environmental assessment process, since it is contrary to Quebec's best interests, and objects to its passing in the federal Parliament".

Earlier our colleague from Alberta north east mentioned that last November the Alberta minister of the environment made similar remarks to the effect that since the provinces are powerful enough, have their own ministers of the environment and the capacities and the means to manage their own department and their own affairs, we should avoid this duplication, this overlap. Right now in Quebec, the minister, Mr. Paradis, is speaking out against Ottawa's totalitarianism. If Bill C-13 is passed in the House, it will allow the federal government, for instance, to conduct its own environmental assessments in several areas of exclusive provincial jurisdiction. That is an obvious encroachment on provincial jurisdictions, and in Quebec a motion was unanimously passed against such a thing. It is not of question of partisanship. Our role here is to tell the House that this is not a constitutional issue, like those being discussed by the federal government and the provinces. It is about one jurisdiction, the environment.

We have to recognize that no boundary circumscribes the environment. As everyone knows, you cannot build a wall to prevent bees from flying over to your neighbour's backyard. But when you talk about encroachment, Mr. Speaker, you have to remember what happened last year. Mr. Paradis has spoken against this federal bill before. Besides, his colleague, the minister for energy, Lise Bacon, once accused Ottawa of hiding behind the environment banner.

• (1700)

I would like to ask the previous speaker this: Is he aware of Quebec's firm opposition? Will he ask his government colleagues to postpone this bill as long as there is no agreement between the Canadian provinces, in particular with the province of Quebec, for which we are fighting in this House?

[*English*]

Mr. O'Kurley: Mr. Speaker, I listened very attentively to the questions and the comments with regard to my previous intervention in this House. The member from the Bloc Quebecois suggested that his party was here simply to defend the interests of Quebec and said that was the primary reason for its members being here and that they had no other responsibilities whatsoever.

As a member of the legislative committee on Bill C-13 I was curious as to why neither he nor any members of his party attended any of the hearings on Bill C-13. If the interests of Quebec were so important why did it take until this time before he or any of his party members made representation before that committee?

In addition, the Government of Quebec was, as were all provinces, invited to participate in the legislative hearings on Bill C-13. Certainly we did not hear from any representatives of the Government of Quebec on this bill. I am not doubting the hon. member's word but if his responsibility to defend the interests of Quebec is so paramount why did he wait until now to express those concerns or interests?

With regard to the concern about intruding on other jurisdictions, the Supreme Court confirmed that the role of the federal government is legitimate in areas in which the Constitution authorizes the federal government to be involved. I would like to reiterate the fact that Bill C-13 is built on the need for co-operation. The whole intent of this bill is to foster and facilitate co-operation. It is not us and them. It is not me against you. It is we together working to resolve environmental problems which know no provincial boundaries, no jurisdictional boundaries.

I think it is important for the member, and indeed for all of those who have concerns about jurisdiction, to realize that partnership is the essence of this bill. Certainly that is what the bill was intended for and I am sure that is what it will result in.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, a few minutes ago, the hon. member accused my colleague of not having taken part in the work of the legislative committee. I want to tell him that we are not welcome as members of the legislative committee nor as members of the various standing committees of the House of Commons. We cannot be blamed because we are not allowed to speak at committee meetings.

We can intervene but we cannot vote. Sometimes, we are forced to wait all day before being given a brief opportunity to speak at the very last moment. That is why it is not very interesting for members of the Bloc Quebecois to sit on a committee. That is why we try to do our work in the House of Commons and to work with the Quebec government since the only reason for our being here is to stand up for Quebec in Ottawa. It is in that context that I blame the hon. member for accusing us of not sitting on committees, because when we do we are not allowed to speak.

[*English*]

Mr. O'Kurley: Mr. Speaker, as I said, I had no intention of doubting the sincerity of the members opposite. My question was with regard to why none of them had appeared at the committee.

What the member said just now is not necessarily 100 per cent accurate in the sense that committee meetings are open to the public. They are open to all individuals who have any interest at all. We have other tools in the parliamentary system such as Standing Order 31 where members of Parliament of all parties of all political stripes can stand up and make representation on behalf of their constituents. We can ask questions in Question Period of ministers.

Not once have I heard the members of the Bloc Quebecois stand up under Standing Order 31 on a statement in the House of Commons before Question Period and express concerns on this issue. Not once have I seen any of those members in the committee even though they are open to the public.

I have some questions about why now do they express this concern.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, just a few words concerning this piece of legislation before the House before it passes into final reading.

I note that there is a restriction in the legislation in that it is restricted to projects, projects being defined as a physical act, as some sort of physical activity. Of course this means that a great many things are excluded under this piece of legislation.

In fact, when it comes to an assessment being made of the environmental impact of decisions by the Government of Canada, the major decisions of the Government of Canada that impact adversely upon our environment will not be covered under this legislation. In fact, it will be so limited as to involve only projects that are built in a certain place and that are built under a certain authority. Very restrictive defines what federal lands are, what federal authority is. I note that it even goes so far as to define the authority under the act for a project that extends out to the edge of the continental shelf. It says either to the economic zone of 200 miles or beyond out to the edge of the continental shelf, whichever is the greater of the distances.

My observation that I make while this bill is passing third reading is that it is very limited in its scope. It does say, I know, an act to establish a federal environmental assessment process. In the actual title and in the preamble to the bill it talks about environmental assessment, about an effective means of integrating environmental factors into planning and decision-making processes. It talks about achieving sustainable development by conserving and enhancing environmental quality, and by encouraging and promoting economic development.

• (1710)

The reason I say that this bill is too limited is this. The very department that is sponsoring this bill is the federal Department of the Environment. The federal Department of the Environment passes judgment all the time on things that are of great danger to our environment, that destroy our environment; destroys our environment in our forests and in our lakes and streams and in the ocean. The Department of the Environment, the very department that is bringing in this bill, allows no public process in its determination of whether or not a chemical can be used to eradicate an insect in the forest. It makes no reference to that. It has no jurisdiction.

In other words, whereas it enables the government to set into motion an assessment process that involves public input, that allows interested parties to comment on and to make decisions upon whether or not a project, so to speak, shall go ahead for environmental purposes, it makes no such claims for great decisions, very large decisions that are made by this very government department in its every day activities influencing our environment.

I want to give one example, which is a prime example this time of the year.

The Department of the Environment sits down with two other federal government agencies, the Department of Agriculture and the Department of National Health and Welfare. They sit down from time to time and determine whether or not to legalize herbicides or pesticides in Canada. They sit down and determine in that committee, in that review process, whether or not to license or to recommend to the Pest Control Division of Agriculture Canada, that would make a judgment based upon an act of Parliament, whether or not to legalize a substance for use in our environment.

Let me give an example. If you were today to ask the Department of the Environment what substance it approves for use on all of our forest lands in Canada, it will say to you one word: fenitrothion, a chemical which has proven to kill birds, to not allow them to reproduce, killing the very things that eat the very insects that they are trying to get rid of.

Imagine, aeroplanes up in the air dumping down in big crates, in big enormous barrels, chemicals to spill all over our magnificent forest lands in British Columbia, Ontario, Newfoundland, New Brunswick, all over the place and the Government of Canada comes up with this bill. Here we are talking today about an environmental assessment process. An assessment process? About wharves, about breakwaters, dams?

We know that this government department says that you can dump thousands upon thousands of gallons of chemicals all over your forest land, all over your rivers, all over Canada. Just imagine. There is only one other thing they allow for use in our forest lands to get rid of these pests. You go around with a little squirter and you squirt and you get rid of insects in trees. But the way we do it in Canada is we dump it out of aeroplanes over

incredibly large territories. The National Research of Canada has a report in its possession which shows that this chemical destroys harmless insects, spiders, bumblebees, and destroys the reproductive cycle of birds. You can go to most of our forest lands in Canada and you cannot even hear a bird sing. I wonder why. I wonder why. They have got chemicals dropped down from away up above, from aeroplanes, approved by the Department of the Environment, the very department that is coming in here today and saying "Oh, we are going to give you an environmental assessment process for public works". For public works, Mr. Speaker.

There is only one other thing they licence that they say is legal, this panel set up by Environment Canada, Health and Welfare. It used to be the Department of Fisheries and Oceans, but they dropped out last year. They are no longer on the panel. You see, they could not justify, I do not think, dumping oil, which is the agent that brings down the chemical to destroy everything in the forest. They just could not sit there because all of those chemicals were going into our rivers and our streams and destroying our salmon and our spawning grounds for our trout. No. Has that also violated the Fisheries Act or our Clean Water Act?

The very action of the Department of the Environment, the process which is closed, not open for public assessment, not a review process like this is, is for them to sit down and make that decision.

There is one further agent, not a chemical but a bacteria agent that is licensed for use. It was developed in the Quebec region of the Canadian Forestry Service by some of the finest scientists and biologists that we have in this country today. They developed a non-chemical substance for use to get rid of such things as the spruce budworm, the balsam woolly aphid, the hemlock looper and all of these various insects which are predators in our forests.

That particular substance is called BT. It stands for Bacillus Pherengensus. That is a substance that is a bacteria which will also kill these insects, but costs more, as I understand it, than the chemical that is used in our forests. So the chemical is preferred by our paper companies and by our provincial governments in Canada. Of course, then the paper companies and the provincial governments can turn around and say: "Who licensed the chemicals for use in all of our forest land? Why, it is the Department of the Environment". They licensed it through the federal Department of Agriculture because they have a review process which is not open to the public, but they license the material for use in all of our forest lands.

Now, the environmental assessment process. I understand that all of these acts are under review by the Government of Canada. They are reviewing the Pest Control Act and various other acts of Parliament with the view to opening up the process to allow more public input into what we do in our environment and the review procedures that are in place for various government departments. I understand that the procedure is being opened up for the use of herbicides and pesticides and that a new act is in the works for the Government of Canada to present to the Parliament of Canada to allow for a review process. Of course, this allows some people in Canada who want to even have more chemicals used in our forests, more chemicals dropped out of aeroplanes from on high to destroy insects in our forests. That review process, which is being suggested by the Government of Canada, should be watched very closely by the legislators in the Parliament of Canada.

• (1720)

All in all I do not see any problem with the legislation, I must admit, but it seems rather strange to me that they would so restrict this legislation to deal with only one aspect of environmental assessment and that they do not refer to anything else.

We have allowed the Government of Canada, through its policies, to destroy our marine environment. That has been adequately destroyed through policies of the Government of Canada which allow in large ships from foreign nations, massive factory freezer trawlers utilizing the ultimate in new modern technology, to destroy all of our spawning grounds and to destroy our cod fishery for generations to come. We have allowed that and that happens today.

The Minister of Fisheries and Oceans announced yesterday some more foreign quotas inside the 200-mile zone: 55,000 more tonnes of fish to be taken by seven foreign nations which will further destroy our marine environment, along with the fact that the Department of the Environment itself is a contributor to the destruction of our wildlife and our forest lands in Canada by allowing and encouraging the use of chemicals.

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I feel compelled to ask my hon. friend a question.

I just had a group of European journalists in my office in an attempt to provide them with some facts about our forestry practices, our green plan, the way we worry about our environment, and our sense of obligation to the rest of the world as stewards and custodians of 10 per cent of the planet's forests.

I asked a journalist from Germany where he would have got the information that appeared in an article he had written in a particular paper. He said: "Look, we are here every day looking in on the debates of the House of Commons". Now I know where he got the information from. He received it from my friend, the hon. member for Gander—Grand Falls.

When did the member last see squadrons of hundreds of aeroplanes flying over huge areas of forest land in our country, killing everything in their sight with Agent Orange? Everything in its path would be destroyed recklessly. That is what we read in European newspapers. That is why there are promotions for boycotts on our lumber products, for God's sake, in Europe.

Does the member not know that he has a responsibility to stick a bit closer to the truth? Does he not know that our forest industry uses 10 per cent of the chemicals used in the food chain in agriculture in Canada and that is 10 per cent of what the Europeans use in their agriculture, having destroyed all their land? Does he not feel a sense of responsibility to be factual about what he says? Does he know that the chemical of which he speaks, incidentally, is the same chemical that mothers use to eradicate head lice on their children's heads and use to spray on their plants inside their homes? Does he not know that the forest industry no longer uses chemicals to the extent that it did 10 or 20 years ago?

BT is actually 80 per cent of all the sprays that are being used to eradicate some of the insects that destroyed, incidentally, all the forests on Cape Breton Island and other forests in his own province. Does the hon. member know that? If he does not, could I ask him to inform himself? And, after he has done that, could I ask him to be a bit more responsible and sensitive to the fact that what we say in this House is actually repeated by people in other parts of the world to the detriment of our industry, our workers, and our communities?

Mr. Baker: Mr. Speaker, if people repeat what is said in this House then I can imagine what they are going to repeat after listening to the hon. member. They are going to repeat this: that the very thing that is used to eradicate head lice is being sprayed in all of our forest lands. That is what the hon. gentleman just said a moment ago.

As far as Europe is concerned and how it gets rid of the problem of forest insects, the hon. member should take a very careful look at woodlot developments in Europe where bird hatcheries are sometimes encouraged. Instead of killing birds that are the very predators of the insects we are trying to get rid of in our forest lands, perhaps we should be following the record of some woodlots in Europe and developing bird hatcheries.

Let us turn to this business of using fenitrothion on only 20 per cent of our forest lands. He mentioned Agent Orange. That has nothing to do with fenitrothion. That is 2,4–D. That is what he is talking about. I am not talking about herbicides. I am talking about fenitrothion. If BT is as useful as fenitrothion then why is BT not used throughout this country to get rid of these insects?

I will tell you why, Mr. Speaker, but you have to go a way back. Once upon a time we used DDT in our forests. That is what the Canadian government was recommending. We used DDT until the investigators found that it was destroying everything. Then we switched to other chemicals. We are at the point now where in Canada we are the proud owners of one of the most effective means of getting rid of forest insects, Bacillus Therengensis, BT, developed in the Quebec region by a brilliant man. His last name, I recall, is Mr. Smirnoff and he developed BT. It had an effect right around the world. In Japan it was welcomed. Countries right around the world said: "What a marvellous discovery". This man who dedicated his life to getting rid of the use of chemicals in our forest lands, as any sensible government should do, devised the method of using BT.

I would suggest to the Government of Canada that we should use BT 100 per cent. If there is a deficiency, if there are companies that say it costs too much money, then perhaps the Government of Canada should put some money where its mouth is and stop this destruction of our environment.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to participate in the final reading of Bill C-13. One thing I do find regrettable—and it is perhaps the symptom of the political priorities of some members of this House—is that there are two ministers responsible for the environment and neither has participated in the third reading process this week.

I do recognize why the Minister of the Environment is in Vancouver. As a matter of fact there is some history I am interested in noting. A federal contract was released to Burson-Marstellar Canada Limited in the amount of $189,524 to implement the media relations and communications program for Environment Canada at Globe 92. I am sure the minister wanted to make sure that he got good mileage out of that almost $200,000 expenditure with Burson-Marstellar of Bhopal fame.

Similarly I find somewhat less than amusing in this part of the debate that neither of the Liberal environment critics could find the political will or political priority to participate in a debate which the Minister of the Environment described when he appeared before the standing committee as follows: "In this case we have legislation that is complex. I think it is one of the most important projects to be introduced in this Parliament".

That is the minister's view on the priority, regrettably, of a very important and very complex bill, one that I regret to say truly is only a half full glass. That extra effort could have been made to make this the kind of legislation that would withstand the test of time. We have seen how quickly the 1984 cabinet guidelines order has come apart, or in some people's minds came together as an administrative law, as a result of the various and many court rulings there have been to take it from an Order in Council to the administrative law it is now recognized as being.

• (1730)

As I said, it is regrettable the two political parties that frequently go out and try to sell themselves as the great answer on serious environmental issues have taken the most important phase of this legislation so abominably laxly.

Out there, there is concern. Members from the Bloc have been raising on a regular basis the fact that this afternoon in the Quebec assembly a unanimous motion was passed opposing this legislation. It is also worthy of note that the province of Quebec—and I quote from today's press coverage of it—is not calling for withdrawal of the bill.

Let us keep in mind this day that Bill C-13 in its final stages is being used as a political lightening rod and as an opportunity to create focus in the province of Quebec on a constitutional issue. As the member for Elk Island and others have pointed out, there has been an abundance of opportunities for members of the Bloc and for other Quebec members to have appeared before the Bill C-13 committee.

We must keep in mind that this piece of legislation has been moving for four and a half years. It was introduced for debate by the leader of the Bloc Quebecois, the hon. member for Lac-Saint-Jean. The bill, without change, was transformed at the end of the last session from Bill C-78 and given new light so that it could be Bill C-13. The words that were there on the last day of the last session are the same words in Bill C-13. It is precisely the same bill.

The kind of brinksmanship, or perhaps more properly put, brinkspersonship, that is practised a bit too often on some issues is being applied here and it should not be. Anyone who truly understands and has taken the time to understand what the Brundtland commission said in the spring of 1987 on sustainable development and on how we can perhaps, and only perhaps, achieve a sustainable environment for human life and for the life of most other species would not be playing these kinds of political games on a piece of legislation I personally do not support because it does not go far enough. I ask my friends in the Bloc Quebecois and every member of the National Assembly in Quebec today to keep in mind not only what was said in Brundtland but what is going on in the environment of this planet.

This is not an issue to play politics with. Birds fly between boundaries. Fish swim between boundaries. The air above us is seriously affected by global warming and by the hole in the ozone. We have recognized, perhaps for the first time in this century in just the last few years, that the exponential rate has climbed in the extinction of species. For the first 50 years of this century it was one

specie a year. It has now accelerated to 10 species per hour. Entire species are becoming extinct: 10 within this hour of debate. We have the extremely unusual, naive and opportunistic politics that are being practised to try to go after this piece of legislation, saying: "Here is the big, mean hand of the feds coming into Quebec".

Mr. Paradis, a Quebec minister, has had many opportunities to communicate with the federal minister and with any member of this House on Bill C-13; similarly any member of the National Assembly. Groups from Quebec came. There was support from all across the country for this kind of an approach on a very important piece of legislation.

On January 23 this year the justices of the Supreme Court of Canada, including the three justices from the province of Quebec, unanimously on the Oldman decision made it very clear that this kind of legislative approach was totally constitutional, totally appropriate. It is not a colourable device. The justices warned that the feds should not be inappropriately or unethically intervening in areas of clear provincial jurisdiction, and this does not do that. No members on the committee that I am aware of attempted to force legislation that intervened specifically in the provincial jurisdiction. I warn the members of the Quebec assembly and I warn members of the Bloc that this issue transcends normal partisan debate.

This is an issue of enormous future consequence to the lives of all humans, to the nature of this land, and the biophysical nature of this nation. Quebec in that sense will always be part of Canada. No one for a moment can ever suggest that biophysically Quebec will ever be located anywhere else than where it presently is. The birds will fly, the fish will swim. The lives of people will continue to be affected by this kind of legislation.

The real test of the intended ineffectiveness of this bill has been clearly established though by this government. It is only appropriate in third and final reading that Canadians have a sense of why this bill does not meet the real test of where it should be as a piece of legislation.

We have examples in every province and in every region of the country but let me just point out a few. There is Kemano II, Alcan's project in British Columbia; there is the Oldman River dam, an Alberta government project; Rafferty-Alameda in the province of Saskatchewan; the Great Whale in la belle province; and Point Aconi in Nova Scotia.

On the other hand, we can look at the 15 sets of regulations which are in the government's hands and not in the hands of members. Because of the result of a vote yesterday, we have been refused the opportunity to bring those regulations before the House, even though it is good enough for firearms regulations but not when it comes to the most important issue in Canada. We can see regulations on firearms, but we cannot see regulations and scrutinize them in the House of Commons.

What kind of a government would do that and what is it hiding? I intend to come to what it is hiding.

Let me deal with the exercise and the expression of government will on major projects. This is a source of great frustration to many Canadians. It is a situation which has brought many Canadians I have met to the point of openly exerting violence to try to get some kind of democratic procedures in place to deal with serious environmental issues.

On Kemano II, the Order in Council exemption has already been found to be unconstitutional and it has been found to be illegal and was quashed by Mr. Justice Allison Walsh last year and it is back before the courts. The Kemano settlement agreement similarly was quashed by the Federal Court because of the questionable way that it had been produced behind closed doors.

The Oldman River dam on January 23, 1992 the Supreme Court found affirmative regulatory duty. The Minister of the Environment and the Minister of Transport know full well that they have an affirmative regulatory duty. They should make an order that the valves at the dam should remain open so that the reservoir does not fill. I quote from a letter from Martha Kostuch, the vice-president of the Friends of the Oldman River, dated March 10, to the Minister of Transport. She states:

> It is clear from the January 23, 1992 Supreme Court of Canada Ruling that the Alberta Government requires approval under the Navigable Waters Protection Act for the Oldman Dam. Since approval for the Oldman Dam under the Navigable Waters Protection Act was quashed on March 13, 1990 by the Federal Court of Appeal, the Alberta Government is clearly in breach of the Act.
>
> On behalf of the Friends of the Oldman River, I request that pursuant to the Navigable Waters Protection Act you direct the Alberta Government to keep the valves and the spillway gates open until such time as the Federal Environmental Assessment Review Panel has completed their report and you have made your decision based of their recommendations.

I could carry on and read the rest of the letter, but it is abundantly clear the justices of the Supreme Court of Canada ruled unanimously in terms of affirmative regulatory duty. Here is the expression of political will by a government. It broke the law and violated the Constitution of Canada to make a special deal for Alcan on Kemano II and there is still no review taking place in British Columbia in federal jurisdiction.

In Alberta, the highest court in Alberta quashed a permit allowing for construction. The dam itself is illegal. It was constructed illegally. To allow it to fill is a violation of an affirmative regulatory duty. Does the government express itself in its affirmative regulatory duty, either the Minister of Transport or the Minister of the Environment? No. The reason that I raise these is that the public has a right to take a look at a piece of legislation from both ends. One must look at how a government deals with major environmental issues as a new piece of legislation is approached because the same kind of political behaviour can be expected once the legislative tool is in place.

• (1740)

That is why I was shocked to read the secret cabinet memoranda on this new legislation and to discover while we have 20 panel reviews in place right now, this new legislation will allow so many exemptions that there will probably only be a couple of review panels per year, according to the memorandum.

Everything else will either be exempted or given permits or go through a mitigative process. That to most Canadians will be viewed as an entirely inadequate approach.

With Rafferty–Alameda, the Federal Court of Appeal ordered the minister to comply with the international river improvement act. Since then we have had four ministers, Minister MacMillan who cut the original deal as a land trade, Minister Bouchard now with the Bloc Quebecois who failed to live up to the law, Minister de Cotret, and Minister Charest, all Tories, all four of whom have done nothing to live up to the laws as passed by this Parliament.

They violate in each of the western provinces on a regular basis the laws and statutes passed by this Parliament. And Parliament acts as though we are entirely neutered, that we can do nothing, ministers of the Crown flagrantly violating the Constitution and the laws. Would any rational Canadian think that they would do anything other with Bill C–13 than to use it as a game of snakes and ladders, to use every loophole that they could find?

Let me come to some of those loopholes. The Great Whale project, the Grande Baleine project in Quebec, again is another example where the Minister of the Environment had to be practically bludgeoned, had to be dragged through the courts to live up to an existing trilateral agreement between the Cree, the province of Quebec, and the federal government. He had to be dragged through the courts to live up to that, simply to get the review process going. Agreement between the Quebec and federal Ministers of the Environment is just finally getting underway. It is a process that we will have to wait and see how it works out.

With Point Aconi in Nova Scotia, the wrong minister was made the minister. The minister of fisheries and the Supreme Court of Canada have found there is no trigger mechanism under the fisheries act to require the minister to go beyond an initial environmental assessment.

The minister of fisheries says, "Well, Point Aconi is not going to affect fish". Well, every scientist in the country knew that Point Aconi was going to affect the atmosphere, not the warm water outflow. It was the atmosphere.

Did the Minister of the Environment who was taking this legislation through committee bother to do anything about Point Aconi himself? No. Even though the previous Minister of the Environment had told me to my face that that was precisely what should have been reviewed because it violated Canada's sacred commitment in Geneva from a year ago to at least stabilize carbon dioxide emissions at 1990 levels.

That project will violate without any opportunity for mitigation or mediation a solemn commitment that we made to more than 100 countries.

What about this legislation? Will it bring about integrated economic environmental decision-making? I do not think so, particularly when looking at the regulatory loopholes.

Let us take a look at some of them because as witnesses told the committee one after the other, Mr. Bruchet from the Canadian Petroleum Association said: "It is not necessarily the legislation but the regulations that have the greatest impact".

There are 15 sets of regulations, like a telephone book, being hidden in the minister's office at this very moment so that members of the House cannot see them when we are voting on the legislation, so the public has never had a chance to see them. I will outline why that is so important.

Bill Andrews from the West Coast Environmental Law Association stated: "The regulations themselves are an important if not the most important part of the bill".

Professor Morse from the Canadian Bar Association stated before committee: "About the importance of reviewing regulations before the passage of the bill is that it is very important. There is just too much scope left for regulations".

Even Ms. Brown from the Federal Environmental Assessment Review Office stated: "The regulations will define a comprehensive study list and the exclusion list".

So any Canadian who naively believes that this legislation when passed would indicate what the comprehensive study hit list would be, what projects for sure would be studied or which ones would be excluded, is dreaming in technicolor.

Let me give some examples. The proof is really in the pudding. This was kindly prepared by Franklin S. Gertler, chairman of the national environmental law section of the Canadian Bar Association.

Let me give some examples of things that will be excluded by regulation. This really tells it all. Airports, major linear developments, highways, transmission lines and pipelines will be exempt. Any new railroad extension of less than 100 kilometres will be exempt. It does not matter where it is in the country, if it is less than 100 kilometres, it will be exempt.

There is no understanding of ecosystems or biophysical reality demonstrated there. That 100 kilometre section of railroad could be in the most sensitive environment in all of Canada. There is a review for a 500 kilometre one in an area of the country where is does not affect anything, but it is exempted in a highly sensitive area. Railroads would be built 99 kilometres at a time. It is pretty obvious what it is planning.

An exemption for the abandonment of rail lines, the exemption of twin-tracking, the exemption of new nuclear reactors, slow-pokes, anything under 30 thermal megawatts would be exempted. Can you imagine? A nuclear reactor is put in a hospital and it is not necessary to assess the impact of bringing the radiated materials into or out of the hospital. Give me a break.

Mines are exempted, as long as they are less than 10,000 tonnes per day. It does not matter whether they are high arsenic, high acid content, they are exempted. There will be a lot of mines producing 9,999 tonnes a day so that they can be exempted. It does not matter whether it is asbestos or whatever.

On dams, as long as not more than 100 cubic meters per second is being taken, they are exempt.

On a final point, Mr. Speaker, this is an exemption that I know you in particular would be concerned about. That is the exemption to reduce the size of national parks in Canada so long as it is done in increments of less than 10 per cent an environmental assessment is not required.

I look forward to questions, as members can probably tell. I am interested in this topic. There are some serious problems that can only be addressed by a redraft of the bill.

Mr. Len Gustafson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I listened with interest to the hon. critic's remarks especially when he mentioned Rafferty-Alameda dam.

I served the area that has the two projects in it. One of the problems that came up during this project—and there has been a lot said about the Rafferty-Alameda dam in this House—many of the people who pass judgment on the project have never seen the project. They simply pass judgment for political benefit. They knew nothing about it. At times they tried to indicate that the farmers or the people in that area were less environmentally conscious of what was going on. It was just for plain political rhetoric. It had absolutely no benefit to building sound environmental direction that would be sustainable for the future.

I recall sitting in committee when various members of the opposition, who came from centres that were spewing out all kinds of pollution and polluting the environment in an unlimited manner, passed judgment on a project that was going ahead and was as environmentally sound as could possibly be.

All three governments that were in, including the NDP, the prior Liberal governments, and the Conservative government recommended study after study that the project go ahead. Just because the Conservatives built it, they were opposed to it.

• (1750)

I want to say this. Watch the NDP in Saskatchewan complete it. They are not going to blow it up. It is not going to be done away with.

It is important that this kind of legislation come through the House so that we move ahead in a positive direction on the environment. Bill C-15 brings forward sound regulations and legislation.

I just wanted to make that comment after hearing so many remarks about a project that many people know nothing about and will probably never see.

Mr. Fulton: Mr. Speaker, I am glad to have received the question from the hon. member. The bill is actually Bill C-13 that we are debating here today.

In terms of his comments on Rafferty-Alameda, the concern that I think is held very widely among residents of Saskatchewan, whether they are for or opposed to the project, is that this government continually and flagrantly violated the laws passed by this Parliament. The courts made that abundantly clear. It was the Federal Court of Appeal, not just the Federal Court, that ordered the minister to comply with statutes passed by this Parliament.

The other point I want to make is that by the time the Rafferty-Alameda project was being actively considered for development, it was abundantly clear what direction the government agencies should be taking in terms of the 1984 cabinet guidelines order. It was not known that it was a mandatory law of general application. A lot of the administrative law that we talk about here in March 1992 on the floor of the House has come since the beginning of Rafferty-Alameda.

The concern that I think residents of Saskatchewan hold, though, is that the Government of Canada refused to hold back on the project and to use the trigger powers that it had under the International Rivers Improvement Act to allow the studies to be completed, to allow the panels to complete the process that they were required to undertake by law.

So there was the violation of the statutes of Canada; there was the violation of the government's own code of conduct, the 1984 cabinet guidelines order, which were not suddenly hatched, Mr. Speaker, in 1984; these regulations came originally from a cabinet directive in 1974. They were rewritten and became an Order in Council in 1984.

On the technical questions about the Rafferty-Alameda dam, we will find out over time that it is not an effective impoundment system that has been proposed. If one looks at the rate of rainfall in that area of Saskatchewan over a long period of time, particularly when one looks at it over multiple decades, one looks at the amount of flow that could be required in relation to the Souris, if one looks at the implications of adding coal-fired thermal heated water back into those systems, what the implications may well be, one ends up with a kind of impoundment system that will not be pleasant for boating, it will not be pleasant for fishing, it will not be particularly good for irrigation, it will not be particularly good for flood protection.

If the hon. member took more time to speak to people like the Tetslaff brothers and got a grip on the number of federal jurisdictions that have been abused and maligned and contravened by government action, including the continual slap in the face to the Federal Court of Appeal that has been taken by the Government of Canada, one would realize why a very dim view of the political behaviour of Progressive Conservatives at the federal level is held by many people, not just in Saskatchewan, on environmental issues, but in many provinces, in Quebec, in Nova Scotia, in Newfoundland, in British Columbia. Because if one continues to flagrantly crap in the nest, to say "Oh, we are passing these laws; look at us, we are great. We've got a green plan" and then, behind closed doors, to cut deals with corporations and provincial authorities, and so on.

I honestly believe that is why the trustability and the popularity of politicians generically as a profession in this country is lower than that for convicted assassins.

Mr. Gustafson: Just one comment, Mr. Speaker.

Again the hon. member is speaking about something that he does not understand. The Alameda dam in a run-off last fall filled up with water. They could boat there last fall, lots of boating. The water was several metres deep. It was unbelievable the amount of run-off that came down that dam. They were boating and they will be boating again this summer.

Mr. Fulton: Mr. Speaker, the member likes to pose questions and that is fine, but it seems to me that if one is ethical about these kinds of issues one would take the time to respond to the point that I had raised, the continued flagrant violation of the law.

We pass laws in here and we expect Canadians, one and all, to live up to those laws. However, when those laws apply to this particular Conservative government, in almost every province, in almost every jurisdiction, on environmental issues, and I predict it will be the same, if not worse with C-13 when it is law, the flagrant abuse of the rights of Canadians and of the ecological integrity of this country will continue unabashed because of behaviour and attitudes such as that just exposed by the member who just asked the question.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to participate in this very important debate.

I want to begin this address with some introductory remarks, putting this debate in context.

As the House is aware, this debate comes at a time which is bridging my responsibilities on the Beaudoin-Dobbie committee and now resuming my responsibilities as associate critic for international environment. It is in that context that I want to begin.

As we have heard, the Minister of the Environment is not able to be here today and yet this is the most important environmental legislation to be introduced in this House in many, many years. I find it very sad that he is not able to be here. Allegedly the reason for his absence is his attendance at the Conference of Ministers of the Environment in Vancouver, which is occurring this afternoon and tomorrow.

I remind the people who are watching that this government, of which the minister is a part, has the ability to call bills at its convenience. It has control over the timing of the legislative agenda, not us. So I think a House leader's role is behind the scenes because the real reason the Minister of the Environment is not here is because this has become a political football in Quebec and he is a Quebec minister.

[*Translation*]

Mr. Pronovost: On a point of order, Mr. Speaker, the hon. member made three remarks in 60 seconds on the absence from the House of another member or a minister. Everybody knows that ministers and members have numerous occupations outside this House. It is out of order and quite contrary to our rules that experienced members repeat this kind of comment two or three times in just a few seconds.

The Acting Speaker (Mr. DeBlois): It is true that our Standing Orders forbid comments on the presence or absence of other members in this House.

[*English*]

Mr. Taylor: On the same point of order, Mr. Speaker. I note that in this practice we are simply following the lead taken by the parliamentary secretary who, at the beginning of the debate at third reading, indicated the absence of the Minister of the Environment during the debate and expressed the apologies of the minister to the House for not being able to be present.

We are simply following up on the comments that were brought to the attention of the House by the—

Some hon. members: No, no.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I request the co-operation of members on both sides of the House. I think both points have been heard and we could go back to the substance of the debate.

The hon. member for Saanich—Gulf Islands has the floor.

[*English*]

Ms. Hunter: Mr. Speaker, to resume my train of thought, because of the priority of this legislation, I find it curious in the extreme that there are not more ministers speaking out not only for Canada but for the world's environment. I find it curious that the Official Opposition is not giving this issue the kind of priority it should. If this is the most important environmental legislation to come before this House in many, many years, where is the so-called Official Opposition? Why are they not participating in this debate?

• (1800)

I want to now go back and review a little bit of the history of this bill. Bill C-13 is much improved. The all-party committee that put forward the amendments over a 20-month period worked hard, and the legislation is much improved. My colleague from The Battlefords—Meadow Lake has achieved many, many amendments through this long and arduous process. We must remember that there was the pre-study, there was Bill C-78 and then Parliament was prorogued. When Bill C-13 came back in the new Parliament, the government had incorporated many of the amendments that had been brought forward in Bill C-78. All of that work needs to be acknowledged. I think that people who are watching this debate and will be reading *Hansard* need to know the kind of progress that has been made.

My colleague from The Battlefords—Meadow Lake put forward two very important amendments to this legislation. One of them was passed, that is the five year review. The other one regarding regulations was not. The government chose to vote against it. That is an important, crucial part of the legislation. This was made very clear in committee. As was said, far more than in most legislation, the teeth to federal environmental assessment lies in regulations yet to be approved or drafted.

The exclusion list outlining what projects and what types of projects will not be required to be subjected to review will be in the regulations. The procedures governing how public participation will occur will be left to regulations. The comprehensive study list will be left to regulations. Procedures for examining written evidence will be left to regulations. Public registries will be dealt with in regulations. The workings of follow-up programs will be left to regulations. The absence of those regulations and bringing them back to the House is a real vacuum of power. We have, as I see it, a major deficiency in the bill because of the government's choice not to support that amendment from my colleague from The Battlefords—Meadow Lake.

I would like to turn to my area of responsibility and that is the international environment. There are two major projects I want to put forward as examples. The first is the Three Gorges project in China. Canada, through CIDA, has put forward $14 million for a feasibility study. This, under this legislation, would not be able to be reviewed. This is not a project; it is a feasibility study. Yet, this Three Gorges project will have an enormous impact on the environment in China. It will have an enormous impact on the lives of the people there. We are talking about destruction of whole ecosystems. It will change the river's hydrology. It will jeopardize a cultural heritage and $14 million of our tax dollars has gone to a feasibility study.

There has now been a ruling. The jury of the second international water tribunal has found that feasibility study far short of what should be desired. We have seen major deficiencies and yet, with regard to the Three Gorges project, China has said: "Yes, we will take that feasibility study" which says the Three Gorges project should be proceeded with, "as a rationale to proceed". China will come back to Canada and say: "You guys thought it was a good idea. Now, we would like some more money please so that we can proceed with the construction of the dam on the Three Gorges".

This is just not acceptable to Canadians. This is a major deficiency in this bill as well.

The second example is the new project on which my friend Tom Berger from British Columbia is currently doing an independent review for the World Bank. It is called the Sardar Saravor Dam in India. It is the World Bank linkages that I want to address my comments to.

This dam is a major project. The World Bank is paying about 15 per cent of approximately $6 billion for this dam. As you well know, Mr. Speaker, the Minister of Finance for Canada sits on the board of directors of the World Bank. There is no transparency in what his decisions might be and in how they might affect the world's environment. We do not know. They get into a room. They close the doors. They make the decisions. It is our tax dollars that are financing it.

Canadians need to have that transparency. They want to know when the Minister of Finance is making decisions of that type that he is making the right decisions. Bill C–13 has not got the ability to be able to call an environmental assessment on those projects. Yet it is federal money. There is a federal role. Bill C–13 says that we should be talking about federal areas of jurisdiction, federal responsibilities. Those are two major examples on the international environment front that will not be reviewed, will not be assessed.

There is also the other deficiency in this. It is something that we are going to have to work on further. This is like capital projects kind of thinking, that that is what will be reviewed or assessed.

The policies of this government are not up for review or assessment and we have got before us now the possibility of a North American free trade agreement. What will be the environmental consequences of that agreement? Will we be able to assess it? Not under this legislation. What about the GST? Would such a major policy of the government be assessed? Not under this legislation.

Ask me what kind of environmental effects that would have. When you think about global warming, you think about the kind of petrochemical products that are put into the atmosphere that cause global warning. Why are cars taxed with the GST? Obviously that is a sensible move, if you believe in the GST. But why are bikes not exempt? Bicycles are an alternative transportation but they are taxed just the same as cars.

There is no environmental sensitivity to that kind of policy. The GST and the North American free trade agreement are two policies that I am putting forward as examples that this government is introducing or has introduced that will have enormous environmental consequences. Yet we have no ability to review them. There is no environmental assessment. There is no understanding that sustainable development begins here and that we need to have a process of assessing the sustainability if we really do believe that the world's environment is worthy of assessment, not just the Canadian environment. Of course we are concerned about that, but it extends.

I want to conclude my remarks by saying let us put this in context. We are going to have the Earth Summit in Brazil in June. Canada has an opportunity in the days leading up to the Earth Summit to create the best environmental legislation in the world. I have reviewed environmental assessment legislation in other jurisdictions. There are many similarities to this. There are many differences.

Bill C–13 does not cut it. It is not good enough. It has come a long way. I once again compliment the members of the committee in the major amendments, the major changes to the legislation, but it is not good enough.

• (1810)

This planet is dying, and we have to find a way to stop it. We have to find a way. We have to put the legislation, the bill, the regulations to ensure the dying planet at least slows down that death. This bill does not do it.

I am sorry to say that I cannot support this bill.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I would be interested in hearing what the hon. member who just spoke had to say about the position taken by the Government of Quebec. Early this afternoon, the leader of the opposition, Mr. Parizeau, said this was one of the most serious attempts at economic centralization, using the environment as an excuse, that we had seen so far.

In the Quebec National Assembly, the following was said: Bill C–13, an Act to establish a federal environmental assessment process, constitutes an unacceptable encroachment on Quebec's areas of jurisdiction. Bill C–13, an act to establish a federal environmental assessment process, will introduce an assessment process that will be unworkable. Furthermore, Bill C–13, an act to establish a federal environmental assessment process, will lead to costly administrative duplication and court challenges. Furthermore, the federal government will be able to proceed unilaterally, and adopt Bill C–13 without considering Quebec's objectives.

I think this is entirely unacceptable to those of us who want to represent Quebec's interests. I thought a number of Conservative members who represent this government would rise this afternoon, but I have neither seen nor heard them.

My question is this: Considering the fact that the Government of Quebec unanimously passed a resolution this afternoon that the National Assembly strongly disapproves of the federal government's Bill C–13, an act to establish a federal environmental assessment process, since it is contrary to the higher interests of Quebec, and objects to its passage by the Parliament of Canada, I fail to understand why members who claim to defend the interests of Quebec, especially Conservative members who represent the federal government, did not rise this afternoon to object to a bill that goes against the interests of Quebec and Quebec's economic development.

I want to ask the hon. member from Vancouver: What does she think of the federal government's arrogance in wanting to interfere in Quebec's affairs, since the federal government knows perfectly well the Government of Quebec can judge for itself what is or is not good for the environment?

[*English*]

Ms. Hunter: Mr. Speaker, I find it really disturbing that a member sitting in this House is playing petty politics with the world's environment and wanting to get some points in the Quebec legislature when we are talking about a dying planet.

The priorities are mind boggling. What this government is doing by introducing this bill is a laudable goal. What we are seeing is here. Rather than having the courage to come to any meetings with either the Minister responsible for Constitutional Affairs or the Ministers of the Environment, the Quebec legislators are giving out their ideas on what the restructuring of our federalism should be through press releases.

I challenge the members from Quebec to come and talk. Tell us what you want. It does not seem to be an unreasonable approach. No, they do not. They sit in their houses in Quebec City and issue edicts of what is acceptable and what is not. This is environmental legislation that is crucial. It is flawed but it is crucial. We have heard from the Bloc Quebecois that it is willing to play petty politics with little maps with which it would like to be able to preserve the world environment. The world's environment is not protected by drawing lines on a globe.

[*Translation*]

Mr. Leblanc (Longueuil): Mr. Speaker, we do not play politics with the environment. What we in the Bloc Quebecois are saying is that Quebec is as capable as the federal government of making decisions about the environment with its partners, be they the United States, the rest of Canada, the maritimes, Europe or Brazil, as she said. I do not want us to be called anti–environment. On the contrary, we say that we are as capable as the federal government, that it will go much better and would be much more efficient.

[*English*]

Ms. Hunter: I want to make it very clear in case people have missed it. I speak for Canada. I see Canada as part of the world. I think that the Canadian government, the federal government, has a responsibility and I want that responsibility to be paramount in environmental concerns. That is why I worked hard on the Beaudoin–Dobbie committee to ensure that the residual power stayed with the federal government—peace, order and good government.

We are a nation state. Quebec is not. If it wants to change the arrangements down the road I will cry. I will weep for Canada and for Quebec because it will be bad for Quebec, bad for Canada and bad for the world. It is not just the environment that will suffer. The economy and our international reputation will also suffer.

When I say the member is playing petty politics I mean it. This is the pettiest of politics. He is going to be blamed for the amount of concern he has expressed for the environment, which is none.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, it seems to me that the debate that has been raging for the last little while requires a little more attention. One of the things I thought every right–minded person in the world had come to realize, particularly in a post–Brundtland report world, was that the environment is not something which can be neatly circumscribed by boundaries, either national boundaries or provincial boundaries. Therefore I find the position being taken by the Bloc Quebecois to be quite questionable and reprehensible because it is asking the rest of us to accept that what

happens to the environment in Quebec is none of our business.

What happens to the environment in Quebec is our business. It is the business of the Parliament of Canada, it is the business of everyone else who lives in Canada and of everyone else in the world.

Let us consider some of the things that are to be done in Quebec, particularly the Great Whale Project. It is everyone's business on planet earth that the province of Quebec wants to flood God knows how many hundreds and thousands of square miles in northern Quebec in order to create hydroelectricity. It is a fool's paradise to think otherwise, to think that this is just a parochial issue that everyone else should keep their nose out of. It is a fool's paradise but unfortunately it will not only be the fools who will suffer. Everyone suffers from this kind of myopia when it comes to the environment.

I want to make it very clear that although the NDP intends to vote against this bill because we do not think it goes far enough and because we are concerned about matters pertaining to regulation and possible exemptions, and issues such as that.

• (1820)

This is a bill which is an improvement over things as they are and a bill which recognizes the federal jurisdiction in these matters. We support that and we want to make it very clear that we do not have any association with the position which has been expressed whatsoever. The member for Skeena did so very clearly earlier on. However I think it needs some repetition.

This position that somehow the environment as it pertains to Quebec is not the business of the Parliament of Canada has to be rejected time and time again. I do not think it is an appropriate position.

One has to wonder what is really going on here. The hon. member for Saanich—Gulf Islands said that the members of the Bloc Quebecois were playing petty politics with this issue. There cannot be any stronger evidence than the fact that this bill was drafted and once introduced by the leader of the Bloc Quebecois when he was the Minister of the Environment, back in the old days before he had done his most current thing.

The fact is that this bill, particularly those parts which pertain to federal-provincial relations, jurisdiction, et cetera—presumably those issues which the members find so objectionable, unless they feel that dealing with the whole notion of the environment is objectionable, presumably it is the federal-provincial aspects— remain untouched.

Those aspects are basically the same as they were in the previous bill, Bill C-78, that came before this House under the name of the Minister of the Environment, who now leads the Bloc Quebecois. If it were not against the rules I might ask about the coincidence of his absence during this debate.

I would not do that. Possibly members of the Bloc Quebecois might want to explain why the member for Saguenay is not here to defend the bill which he actually introduced himself.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Call in the members.

And the division bells having rung:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(5)(a), I have been requested by the chief opposition Whip to defer the division until a later time.

[*Translation*]

Therefore, pursuant to Standing Order 45(5)(*a*), the recorded division on the question now before the House stands deferred until three o'clock tomorrow afternoon when the division bells will ring for at most 15 minutes.

Would someone on the government side kindly tell the Chair if he or she wants to call other bills on the agenda or perhaps suggest suspending the sitting until the time for Private Members' Business?

[*English*]

Mr. Hawkes: Mr. Speaker, I think it would be in the best interests of the House to suspend the House until private members' hour at seven o'clock because those members who plan to participate have that time on their timetable. It would not be fair to them to move along too quickly. They would not necessarily be present. Seven o'clock, if the House is willing, would be the suggestion.

An hon. member: No.

* * *

NORTHWEST TERRITORIES WATER ACT

MEASURE TO ENACT

Hon. Shirley Martin (for the Minister of Indian Affairs and Northern Development) moved that Bill C-51, an act respecting water resources in the Northwest Territories, be read the second time and referred to Legislative Committee B.

Mr. Jim Fulton (Skeena): Mr. Speaker, it is kind of unusual to have this kind of an opportunity for debate. The government members obviously do not want to defend their own legislation. That is becoming a bit of a habit on that side of the House, but as you would appreciate, Mr. Speaker, this particular legislation is an act respecting the water resources of the Northwest Territories and comes with a companion piece of legislation called Bill C-52 which is an act respecting the water resources in the Yukon territory. It has been important for some time to get this kind of legislation up for debate. I am quite confident that this will have to go to the legislative committee. We will need to have the Minister of Natural Resources from the Northwest Territories down and I am sure we will want to hear from other witnesses because the Northwest Territories contains some of the largest fresh water bodies on earth and some of the larger water systems from south of 60 flow from the provinces up into the Northwest Territories.

• (1830)

I always like to tell a few stories as I start getting into a piece of legislation. As members know, some of the major river systems that flow out of British Columbia and Alberta flow into the Northwest Territories through Canada's largest national park.

[*Translation*]

Mr. Plamondon: Mr. Speaker, I rise on a point of order. There does not seem to be a quorum in the House.

And the count having been taken:

The Acting Speaker (Mr. DeBlois): I am not sure whether to count the member for Richelieu as being present or not— There is a quorum. I give the floor to the hon. member for Skeena.

[*English*]

Mr. Fulton: Mr. Speaker, it is always good to get the government members out of the trough at any opportunity. I would have thought they would rather debate Bill C-51 than feed themselves, but they now get a chance to listen to my story.

As I was saying, I always like to draw the attention of members to the importance of a piece of legislation by telling a few stories. As members know, Wood Buffalo National Park is the largest national park in Canada, and the United Nations has taken a very dim view of what is happening in our largest national park. It has the largest free roaming herd of bison left on earth; it has the largest whooping crane nesting areas.

One of the problems with it results from a dam actually built in British Columbia which has a direct impact on the Northwest Territories and its ability to deal effectively with water issues. That is why I know that the government of the Northwest Territories will be critically interested in this legislation, particularly if it needs to be amended in any way.

Let me get to the story here. The water used to flow in the Finlay and the Parsnip systems, in the Rocky cordillera of northern British Columbia, an area you may not have had much time to hang around in, Mr. Speaker, but I have. As these two mighty river systems were dammed by the W.A.C. Bennett dam, it slowed down the flow of water coming out of British Columbia into a mighty river that you probably have heard of called the Peace. The

Peace River flows in a easterly direction and goes into Wood Buffalo National Park.

The Athabaska flows on the eastern boundary of Wood Buffalo National Park and the Peace flows right through the middle of it. There is a gigantic estuary there, one of the largest freshwater marine estuaries in the world. This is of critical interest to the government of the Northwest Territories and that is why it is critically interested in the outcome of the debate and the legislative process involving Bill C–51.

The water has slowed down because it is impounded in the Williston reservoir. The natural flood flows which ordinarily would come in the spring, in the coming months from now, would go in and flush a lot of the various small kinds of plants and bushes and so on out of the sedimented sands that are in this huge freshwater estuary and would create an enormously important part of the biosystem, not only for birds such as the whooping cranes but also for the bison.

The government has yet to seriously address this problem. When I speak about government I include the federal government but also both the provinces of Alberta and British Columbia and obviously the Northwest Territories because as the waters flow north from their point of joining at Wood Buffalo National Park they flow on up into the Northwest Territories where there are major lake systems such as Great Slave and other very large bodies of water.

One of the difficulties encountered by the duly democratically elected legislature of the Northwest Territories is that it has been unable to properly administer many of the issues affecting water, whether it is for water supply for communities or the disposal of various kinds of contaminants into water systems. In the Northwest Territories and Yukon, mining issues such as placer mining, need regulatory authority and enforcement authorities so that they can control the kinds of activities that affect their water supply. They need permitting structures and, in order to do that, they need legislation such as this.

There is serious interest among residents in the Northwest Territories to get transferred powers so that they can conduct the kind of work that historically has been done by the Minister of Indian Affairs and Northern Development. As members can appreciate, it is a rather difficult job for the Minister of Indian and Northern Affairs to conduct from Ottawa, to deal with all of the permitting and regulatory matters affecting the Northwest Territories and, as we will find in the following debate, affecting Yukon.

The majority of the water movement in the Northwest Territories is either into Hudson Bay or on up into the Beaufort. I think most members of the House are aware of mighty rivers such as the Mackenzie and others that flow in a northerly direction up through the territories and into the Arctic or into Hudson Bay.

It being second reading of this legislation, I would like to take an opportunity to assist those who might be interested in reading this debate or who are watching this debate in terms of some of the definitions that are going to be provided in Bill C–51.

In the interpretation section, "board", for the purposes of this legislation, is going to mean the Northwest Territories Water Board as established in this act. What you can see is the intent of the legislation, in the interpretation section, to develop a more territorially based administrative system.

"Domestic user" means a person using waters for household requirements, for watering of domestic animals and so on. That, of course, would involve all of the residents of the N.W.T.

"Instream user" means a person using waters otherwise than so described. The licensing provisions are going to be transferred in a similar way to the Northwest Territories.

As I was saying earlier, it is one of the more difficult issues for a small government, because administratively the government of the Northwest Territories does not have a large bureaucracy in a contemporary sense when compared with the provinces or with the federal government and the major difficulties it is now starting to have to deal with, in many cases, come from the provinces.

We can look again to western Canada to problems being created for the Northwest Territories in terms of water quality and waste being discharged into systems like the Peace and the Athabaska from some of the major new pulp mills that are being constructed there. Many of those toxic contaminants move not just hundreds, but in some cases thousands of miles up these majestic and beautiful water systems.

Not only can these kinds of toxic contaminants be carried from other jurisdictions such as the provinces on up systems like the Peace and the Athabaska to contaminate major river and lake systems in the Northwest Territories, but fish species that move up and down these enormous water systems can pick up large amounts of the contaminants in their flesh near points of contamina-

tion and move up into the system and thus carry the contamination much further.

The definition of "waste", as placed into Bill C–51, reads:

> (a) any substance that, if added to water, would degrade or alter or form part of a process of degradation or alteration of the quality of the water to the extent that is detrimental to its use by people or by any animal, fish or plant,

That sounds like quite a mouthful. However, the Fisheries Act contains some very strong provisional sections in terms of the placement of deleterious substances into water. The attempt in this piece of legislation, at least I would say at first blush, is to cover principal users of water, that being humans, animals and fish, although as the legislative committee deals with it there may well be a need to expand this particular definition to include birds and perhaps other users.

• (1840)

We see that the definition of waters means any inland water, whether in a liquid or frozen state, on or below the surface of the land in the Northwest Territories. This is a very extensive piece of legislation in that it applies to aquifer water, whether it is frozen or liquid and whether it is frozen or liquid on the surface of the land, so long as it is inland water. This piece of legislation does not apply once we go beyond the estuary of the water that flows either into the Beaufort or into Hudson Bay.

The legislation under its general section deals with the traditional clause of the legislation being binding on Her Majesty. In clause 4, in terms of a section called waters vested in Her Majesty, it states:

> Subject to any rights, powers or privileges granted pursuant to the Dominion Water Power Act or preserved under that Act, the property in and the right to the use and flow of all waters are vested in Her Majesty in right of Canada.

That is to make clear legislatively that this legislation is a delegation of authority from the Crown to another order of government. In terms of application of other acts, it makes clear:

> Nothing in this Act, the regulations or a licence authorizes a person to contravene or fail to comply with any other Act or any other regulation or order made thereunder, except as provided in that other Act, regulation or order.

This legislation is quite tight in terms of scope, even though I think it will be of considerable administrative benefit to the N.W.T.

The actual delegation section is clause 6. It is worthy of note because it is really the active part of this piece of legislation. It states in clause 6:

> The Minister may, in writing, delegate to the person occupying the recognized position of Minister of the Northwest Territories responsible for water resources any of the Minister's functions under section 10—

It goes on and lists a series of sections:

> —either generally or as otherwise provided in the instrument of delegation.

There have been many debates and arguments in this House about duplication. I think we as a Parliament and as legislators make efforts wherever possible to try to avoid or reduce duplication. There are few enough dollars to go around and large enough jobs to do in the environmental field that duplication is certainly something that should and must be avoided.

In this particular clause the delegation of authority is designed to take an administrative function that is presently handled by the Minister of Indian Affairs, and following the election of each new minister responsible for water resources in the N.W.T., and redelegate it.

It also provides in the subsequent clause for agreements with provinces and territories, which obviously is necessary. As I pointed out when I began my remarks, waters flow from the provinces, particularly from British Columbia, Alberta and Saskatchewan, to the N.W.T. Naturally there is a need for agreements and the minister to whom the power is delegated naturally requires the capacity for agreements.

That clause states: "With the approval of the Governor in Council and subject to any agreement entered into pursuant to sections 5 or 11 of the Canada Water Act, the minister may on behalf of the Government of Canada enter into an agreement with a provincial or territorial government providing for the management of any waters situated partially in the Northwest Territories and partially in a province or the Yukon territory or flowing between the Northwest Territories and a province or the Yukon territory".

The reason for this is in many cases in relation to hydroelectric developments of which there are many under consideration. As we know there has been a growing need over the last number of years for a comprehensive evaluation of the impact of hydroelectric projects on the Hudson Bay and generally not just on the acquatics but the entire biosystems north of 60, and to a certain extent south of 60.

Perhaps I could take a moment on this point. It is really very germane to this piece of legislation. If we look at a major project such as James Bay I, or if we even included James Bay II, *la Grande Baleine* as it is known or the Great Whale project, and then look at some of the other major hydroelectric projects that are proposed for the entire Hudson Bay—James Bay basin, we realize very quickly the cumulative impact of all these water diversions, water impoundments and reservoir systems can be major on an entire biosystem. There have not been these kinds of cumulative studies done. I certainly believe that by transferring and delegating this kind of administrative authority we avoid duplication. We also provide localized control where we can have better democratic input in terms of decisions that are going to be made on either water withdrawals or potential water contaminations. As I said in terms of potential diversions or obstructions of water systems, we should end up with a better system. But I really do urge upon the Government of the N.W.T., the provinces and Crown Canada to enter into a serious cumulative impact evaluation of alterations or modifications to existing water systems as quickly as possibly, not only of the N.W.T. but of all of this country. We can learn more from work such as that of Dr. Rudd who has been doing particular work on potential methane releases from the James Bay II, from *la Grande Baleine*.

As he has pointed out, his preliminary investigations indicate that the amount of methane releases over several decades from the Great Whale project would be comparable to that power being produced by thermal coal generation. That is the amount of methane that would be released if we converted it into carbon dioxide equivalents that would be released.

These extremely important matters related to water are often overlooked by people in bureaucracies who are issuing permits for people to withdraw water or to be involved in hydraulic mining such as placer mining and are concerned about fish, bird breeding areas and all other such things. They tend to lose track of the larger scope, the cumulative impact of some of these major diversion and water modification projects.

It is critical that the kinds of agreements the N.W.T. may consider entering into with this newly delegated authority take account of these kinds of major issues. I pointed out the toxification and the contamination of waters flowing from British Columbia and from Alberta up through Wood Buffalo are of great concern in the Northwest Territories.

It has every right to be concerned because contamination particularly of the fisheries can have tragic consequences as we learn only too sadly of Grassy Narrows and at other locations. In the particular case of Grassy Narrows it was methyl mercury contamination. The concerns in the Northwest Territories in terms of the major pulp projects in Alberta are about the increased loadings of organo–chlorines and dioxins into the water systems.

• (1850)

What happens is that the flesh of the fish gets very high concentrations of these materials and it works its way up. It called bioaccumulation and biomagnification, something that those who study water and fisheries come to understand quite quickly, that the longer fish live, the more they eat a particular diet. It is not as though they are just eating a marshmallow with poison in it and then excreting it and the poison is gone. What happens in their body systems and in the ecosystem itself is that as more toxic contaminants are put in, their body loadings continue to go up to the point where there are some fish in some systems in Canada where we would not be safe eating one fish a year. Regrettably that is the concern right now in the Northwest Territories.

Once this legislation is properly amended before the legislative committee, brought back for debate and given Royal Assent, I am quite confident that it will have been the kind of serious debate that could, should and must take place in the N.W.T. assembly as it looks at how it should, from a regulatory perspective and from a long–term development perspective, handle permits for withdrawing water and allowing waste to go in, and how it will deal with the transboundary issues of the movement

of contaminants either from another territory or from the provinces into its area.

A much more serious problem particularly affecting the Canadian Arctic now is the transportation of airborne toxics. They are carried in the higher areas of the atmosphere and come down either as toxified rain or snow. A very similar phenomenon to that which we know much more about is known as acid rain.

We are starting to find in the bodies of seal populations north of 60, in walrus and other marine mammals at the top of the food chain and in the polar bear population, the increasing likelihood that they will be unable in some major areas of the Arctic because of ecosystem contamination from the atmosphere to continue to reproduce. In the principal genital tracts of both male and female polar bears very high levels of contamination have already been found leading to the incapacity and inability to reproduce.

These are the major and difficult issues the Government of the N.W.T. will have to face. There is great fear in small communities such as some of those in the high Arctic where the breast milk of mothers was sampled in the last couple of years and very high levels of PCBs were found. No one could figure out how these high levels of PCBs could be getting into the mothers' systems. It was discovered that the PCBs were moving as aerosols, not through the ocean and not being carried up and dumped in the ocean by human accident in Canada. These were severe contaminants coming as airborne aerosols from Europe, the former Soviet Union, and continental North America. These airborne toxics and acid precipitation are starting to affect the entire ecosystems of the Northwest Territories.

It has an enormous task to assume because of this kind of global contamination problems which we find are increasingly carried through our water systems. The largest solar engine on earth is the movement of water. It is lifted by the heat of the sun into the sky. It falls either as rain or as snow or hail. It comes back on to the land and then the movement of water from there back to the oceans of the world occurs through gravity. These enormous system assessments will have to be undertaken by the Government of the Northwest Territories as part of its new duties.

It is one of the things I urge upon the new minister who is about to receive this delegated authority. That new minister should look carefully at what kinds of economic instruments might best be sought to carry on this kind of nationally significant assessment of water contamination, water diversion, and the movement of these toxics through marine organisms.

I am glad to see my colleague who is an expert in microbiology and these kinds of biosystems here. He could well be of assistance to the Government of the Northwest Territories in preparing its first five-year fiscal approach to permitting regulation and assessment of these major topics.

I would hope by now that some government member would want to stand up for its legislation.

Mr. Edwards: Right here.

Mr. Fulton: My cousin is here, Mr. Speaker. You probably did not know this.

I think I have mentioned this before, but brother Edwards is actually related to me. I believe we are second cousins. We are not actually first cousins. This means that we are—I have digressed for a moment—related on my mother's side and his mother's side as well. He is a government member and I wish him well because he is going to be on this side of the House fairly soon.

Mr. Edwards: I am not joining your party.

Mr. Fulton: No. I was not suggesting that for a moment. I do not think my Uncle Bruce would approve of either of us crossing the floor. I think he is quite happy with us where we both are.

We are getting into some of the critical sections of the legislation. Under the conditions for the issue of licences—very important stuff—it is listed here. This flows right along with what I was talking about earlier. There are domestic users. I touched on that piece of legislation earlier about domestic users, such as I and others. We are there. We take out a pail of water, pump it out and use it for whatever we like.

Then there are instream users. A different kind of licence is required. Then there are authorized users. There are authorized waste depositors, that would apply to villages large and small. It would apply to individuals who might have small plaster operations or small industries of some kind who might need to make use of the water system to dispose of some kinds of material.

Then there are owners of property and occupiers of property. This is a particular area to which there should be some amendments. I do not think that the definitions are clear enough. I look forward to the legislative committee taking a look at clauses 6 and 7. In an area like the Northwest Territories there have been some substantial comprehensive claim settlements, there has been the Inuvialuit settlement in the Beaufort region.

Interestingly enough, the Inuvialuit people moved over from Alaska about a century and a half ago. They are actually Canadians now. There are other kinds of licences. There are those holding an outfitting concession. There are registered trapline holders and holders of other rights of a similar nature.

I would encourage the legislative committee to consult a little more with the representatives of the Northwest Territories and perhaps be a little bit clearer. The following section is not quite as clearly drafted—

Mr. Blaikie: As it should be.

Mr. Fulton: —as it should be, as my friend from Winnipeg Transcona properly points out. It says:

> —who were such licensees, users, depositors, owners, occupiers or holders, whether in or outside the water management area to which the application relates, at the time when the applicant filed an application with the Board in accordance with the regulations made under paragraphs 33(1)(d) and (e), and who would be adversely affected by the use of waters or deposit of waste proposed by the applicant.

Mr. Blaikie: There you go.

Mr. Fulton: That is quite a mouthful. It should be more clearly drafted here.

I see my friend from Newfoundland is nodding in agreement.

The Acting Speaker (Mr. DeBlois): It being seven o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

Mr. McCurdy: Mr. Speaker, on a point of order. I was just wondering whether my colleague had managed to complete the entire 40 minutes that was allocated because I think that many in the House would be anxious, if he were not finished, to hear him finish his speech.

[*Translation*]

The Acting Speaker (Mr. DeBlois): If he wants to resume speaking on the bill, the hon. member for Skeena will have nine minutes.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADIAN COUNCIL ON EDUCATION

ADVISABILITY OF ESTABLISHING

Mr. Howard McCurdy (Windsor—St. Clair) moved:

> That, in the opinion of this House, the government should consider the advisability of establishing a Canadian Council on Education, funded in part by government and the private sector, which would provide independent research and policy advice on education for the benefit of governments in the development and implementation of national goals for education.

He said: Mr. Speaker, if you have been perusing the newspapers across the country, as I am sure you have, and observing what has been discussed in the media you will understand that education at all levels—training, even day care as an educational function—is being increasingly widely discussed in Canada. This is because people are beginning to understand that the development of skills—education, literacy, the number of scientists, engineers and mathematicians that we produce, and the number of technologists we produce—is fundamental to our economic future. It is fundamental to prosperity.

For all that one might say about the government's prosperity and initiative one of the documents that accompanies that process that has been initiated is entitled *Living and Learning*. Both documents place a great deal of emphasis on education, on learning. There is a very sensible reason for that. Quite simply, it that when one examines the Canadian economy our capacity to create value added is fundamental to prosperity. The creation of wealth is directly related to the knowledge that we can invest in our products and in our services.

If one were to examine the fundamentals underlying any future prospect of Canadian prosperity, for all the analysis we have heard, one would see that our future prosperity depends upon creating opportunities for Canadians. Rather than talking about the competitiveness agenda we should be talking about the opportunity agenda. Yet, one of the things that can be observed

about Canada, it was cited some time ago by the OECD and has been repeatedly cited by a number of observers, is the complete absence of any national framework for policy definition that would relate education and training to our economic development.

This turns out to be one of the key deficiencies that we face. In spite of the government's citation of training and education in connection with its prosperity agenda there have been few initiatives that would correct that situation. Even in the United States, which shares the same kind of jurisdictional divisions we have with respect to education, there is a department of education: the department of health, education and welfare. There was the President's commission on education. There is the President's panel on educational goals, which continues to operate. There is the Carnegie Foundation and the Hudson Institute. As well, a number of other initiatives have looked at the question of educational goals, educational policies, curriculum, teaching techniques and all of those things as fundamental to the educational process there as they are here.

When looking at the situation in Canada where we have a number of jurisdictions acting, it seemed to me that it was necessary to find some way of reconciling those jurisdictional differences with the absolute need in this country to have some national focus on education, to address certain problems that we have.

Among the problems we have is in the recent international testing results it was revealed that in spite of the fact that Canada spends more on education than almost any other industrial nation, our students ended up in about the middle of the industrial nations with respect to both science and math which are obviously two critical areas of educational or intellectual performance.

Serious questions are raised with respect to what we are getting out of the educational system and how we are going to tune in our educational system to our economic needs.

In fact, a number of organizations have suggested that there should be some kind of national council on education. At first the focus was on post-secondary education.

The Canadian Association of University Teachers, the Canadian Federation of Students for example had suggested that there be an advisory board on post-secondary education on the premise that there was a federal involvement in post-secondary education as there is, until now, no federal role in primary and secondary education, although recently there has been some discussion of federal initiatives in the area of day care.

With respect to day care we only have to say that it is increasingly to be regarded as a significant part of the educational process for young people who are more and more brought up in families in which both parents work and in which they are deprived significantly of the development of learning skills necessary for their future ability to thrive in whatever educational stream in which they may find themselves.

More recently it has become obvious that even as was suggested with respect to my comments on day care that there is a continuum in education that relates to all levels and all kinds of education. There is no real clear distinction to be made among training and education and post-secondary education, all of which are options that young people may pursue.

As I have said, of late there has been concern from a number of agencies that there be some kind of national focus, some national capacity to look at educational policy, to look at teaching methods, to look at some of the problems that we have in our educational system.

Among others, the Canadian Federation of Teachers has suggested that there be a Canadian office on education with an advisory board associated with it to carry out studies of benefit to the various jurisdictions involved in education.

The National Advisory Board on Science and Technology had made suggestions that there be a national task force for example that would involve the various governments and the various elements which have an interest in education, from industry, the academic field, labour, and so on.

There was a recent joint conference between members of Parliament and the scientific community that suggested very strongly that there needs to be some kind of national advisory council on education, that would fulfil the role that we define here for the body that I am proposing. The Science Council suggested a national council on science education.

• (1910)

However, on close scrutiny one has to conclude that there is no real distinction to be made between science education and any other kind of education in terms of what kinds of problems, policies, teaching techniques, curriculum and so on that need to be examined.

The Standing Committee on Industry, Science and Technology in its report *Canada Must Compete* proposed that there be a national council on education.

The government responded by pointing out that there was a great deal of work presently being done by the Council of Ministers of Education in Canada and posed the question whether a new national body such as a council is required in these circumstances. It would require careful consideration by all stakeholders. The merits of the proposition that I advance here have to some degree been recognized by the government and taken under advisement.

The difficulty with the Council of Ministers of Education is that this is an *ad hoc* arrangement among politicians that can get intertwined with all kinds of political and jurisdictional considerations. It is not the kind of body that is necessary in this country if we are to look at education within the context that virtually every other country has managed to do, especially those countries that do not have the jurisdiction divisions that Canada and the United States have.

We have to look for an approach to the question of a national council on education which will avoid the implication that the federal government is stepping on provincial jurisdictions. Rather, a body is needed that will provide the studies, recommendations and so on after carrying out or commissioning studies which will help the responsible bodies, whether these be provincial governments or even school-boards, in carrying out their responsibilities.

There is no paucity of issues to be looked at within the Canadian educational context. For example, the government has looked at a number of problems such as those I cited earlier which have been so widely reported, for example the deficiency of industrial trainees in this country, the high level of illiteracy and the high dropout rates in our schools.

The government suggested among other things that it would double the number of scientists, engineers and mathematicians that were produced in this country. It would eliminate illiteracy, quadruple the number of trainees and would increase the number of graduates coming from schools.

Those in fact are goals that are stated as a part of the prosperity initiative of this government and things that are being studied in these rather useless fora that constitute the prosperity initiative.

I have to say that all of us are extremely disappointed not to find any evidence of any of these initiatives or any other initiatives having to do with training and education such as those that it was suggested were government goals for action in the area of learning and education.

Should the government decide to do any of these things one of the questions that would have to be asked is: How is it going to do it? In which policy framework could this be done? How will we go about evaluating to what degree it has been accomplished after a period of time?

There is a good deal more that such a body could undertake including looking at the question of educational techniques. It is true that we have a very high dropout rate in this country. We should be asking why that is so. We should be asking questions about why so few of our students manage to enter into mathematics, engineering and science.

We should be asking whether the old teaching techniques still make sense. In spite of the fact that there has been a great deal of experimentation, particularly with students who are disadvantaged, with new information and teaching technologies, we are still burdened with the old-fashioned techniques that have been used since time immemorial.

It strikes me that one of the things that might be looked at is whether we are using our resources efficiently for students. We have had a change in the ethnic make up of our country. That is an issue that could be looked at.

There is the question of curriculum content, about which there has been little done in this country, while numerous studies have been done in this regard in the United States.

There are a great many areas of education that require some national focus for which the national education council that I propose would be a significant step forward in accomplishing.

However, I cannot evince a great deal of confidence in the capacity of the government to understand how useful it would be to it to have an independent source of policy studies, curriculum studies, methodology studies, in the sphere of education when just recently two significant bodies that have called attention to the issue of education, the Science Council of Canada and the Economic Council of Canada, were eliminated by this government presumably because those two agencies were capable of and did criticize government policy.

And so I stand here before you proposing yet another independent arm's length organization that would have an analogous role with respect to education that the Science Council and the Economic Council had concerning science and economics respectively.

But the nature of the council would be such that it would be funded by the provincial governments, the federal government, private sources, industry and labour. It would have as its role the initiation of studies such as those I described earlier without any regulatory or other powers except to provide information, to provide studies, to provide policy proposals, to carry out research within its own walls or to commission research in the universities and other institutions that are capable of pursuing it.

To summarize, Canada stands alone among the industrialized nations of the world in having some capacity to develop education goals and means of achieving those goals which are coherent with the educational goals of the country. Canada desperately needs it. We have delayed it too long. Our prosperity depends upon it.

It is clear that if we are to become competitive, it is through the capacity to invest our skills, our knowledge, our capacity to create in our products and services so that we can produce those things necessary to sell.

That means that the economic agenda should be an agenda of opportunity. We should exhibit a commitment to that agenda of opportunity by having a means by which education throughout this country can be improved.

I submit that a national education council is an appropriate means. I hope that this House will support that proposition.

[*Translation*]

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, I would first of all like to thank my colleague from Laval-Est, the parliamentary secretary, for kindly letting me speak first on this motion.

I heard my colleague from Windsor—St. Clair talk about education. I am a father and it made me think of my three daughters, Marie-Ève, who is ten, Pascale, seven, and Gabrielle, six. I wonder if my children, when they are older, will ask themselves whether today's adults really fulfilled their responsibilities for education. They will probably wonder if it was another federal-provincial quarrel on whether to have national education standards or not. Will we have another fight about that, especially between Quebec and the federal government?

• (1920)

And I told myself that there are few children in Canada and in Quebec who think in terms of constitutional battles; rather, they want us to preserve their future. I believe that the role of this Parliament is to preserve that future by establishing national standards for education. The role of this government and of this House is to work towards that goal.

Allow me first to discuss the motion of the member for Windsor—St. Clair. I want to tell him as well as the House that the quality of education in our country is, and has always been, one of the main concerns of the government. Nobody in this country can claim that having a school drop-out rate of 30 per cent is an acceptable figure. Nobody can claim that our literacy rate as well as the rate for basic calculus knowledge are sufficiently high. And, Mr. Speaker, nobody can claim that in the field of education you can simply maintain the *status quo* to face an increasingly stiffer international competition, and to rely more on industries and occupations that are based on knowledge.

More and more Canadians think that we must take a serious look at our attitude as regards education. We are all aware that we must review our objectives, our training programs and our priorities in the field of education. However, it is also clear that the challenges that Cana-

dians are facing in education can only be taken up through defined, coordinated and joint initiatives.

It is only too obvious that we must act through partnership and consensus, given the primacy of education among provincial responsibilities. We have already told the member for Windsor—St. Clair that we understand his concerns regarding the future of education in Canada and that we support his desire to promote a reform of education at the national level.

I want to tell all the members of this House as well as the Canadian population that this problem is at the top of the national issues on our agenda. We have set up partnerships with businesses and unions, with the field of education and with social services, in order to make all Canadians aware of the great challenge of our times: the development of our human resources to foster a modern economy.

The present government recognizes that Canadians would like to see, by the year 2000, in eight short years from now, with the approval and the cooperation of the provinces, objectives for all of Canada. I can already hear the Bloc Quebecois members say that education is a provincial matter. We fully agree with that. However, I must tell you that in Quebec 30 per cent of students drop out of school. The rate is the same in Ontario. In western Canada, it is between 30 and 40 per cent. In Newfoundland it is a little bit higher but, over all, it stands at 30 per cent.

This means that whether the education is in French or in English, whether you live in the distinct society or elsewhere in Canada, there is a national problem that remains the same. Thirty per cent of students drop out of school. We must stop closing our eyes and pretending, like the members of the Bloc Quebecois do when they say that education is a local problem, a provincial issue. This is a provincial problem, yes, but it is also a competition problem and a national problem because we find the same problem in every Canadian province.

I would like also to tell Canadians that the efforts currently undertaken by the provinces to create a uniform system of educational educators is supported by the federal government. Even the Quebec government agrees with this objective.

At their last meeting in August 1991, the premiers asked the Council of Ministers of Education to pursue their efforts in that direction. This government commends and strongly support this initiative. It is also of the opinion that this body is the best qualified for this kind of national educational objectives. We fully understand that if we fall seriously behind on training in comparison with other countries—and those are our real competitors; they are not the anglophones and the francophones in Canada, but Canada, both the Canadians and the Quebecers, against the other industrialized nations—our manpower and our industry will be badly equipped to fight against our competitors in a world economy based on information.

Those are the reasons, that prompted the federal government to achieve this national consensus among the provinces whose collaboration we will be asking and whom we will be consulting before taking decisions.

On October 29, my hon. colleague, the Minister of Employment and Immigration, sent out a discussion paper on learning entitled "Learning Well—Living Well". This paper is part and parcel of our national strategy which is to move toward life-long learning and toward developing national goals. The first one—there is no harm in that, but it is important that it be attained in Quebec as well as in the rest of Canada—is a 50 per cent reduction in the illiteracy rate and ensuring that 90 per cent of Canadians get a high school diploma or the equivalent. What difference does it make, Mr. Speaker, if you require this from a Quebecer or an Ontarian? We can have that kind of national standards without encroaching upon provincial jurisdiction regarding education.

We also want to double, in Quebec as well as elsewhere—and I think it is a worthwhile goal that we could pursue—the number of post-secondary graduates in science. We want to increase fourfold the training provided by employers to their employees. Training could be given in French in Quebec and in English in the rest of the country, but it will all be co-ordinated nationally so that we can compete with the Americans, the Germans, the Japanese—

Mr. Della Noce: The Italians.

Mr. Pronovost: —all our competitors on the international scene, including the Italians.

As part of our latest prosperity initiative, we are consulting on the subject of education and training throughout the country, including in Quebec. All the stakeholders in the learning system are invited to discuss the national goals in this regard. This action plan will call upon all levels of government, the private sector, the workers, the teachers as well as all Canadians.

We are firmly committed to building a world-class labour force and we are on the right track, but this is no small task. A recent survey by the Hudson institute shows that 66 per cent of businesses expect problems in recruiting personnel with technical skills by 1996. Employment and Immigration Canada reported that 300,000 jobs were not filled in 1991 due to a shortage of skilled workers. This problem is as prevalent in Quebec as in the rest of Canada. It is nation-wide.

I will end, although I would have much more to say, by saying that I can assure all Quebecers and all Canadians that this government is looking into these problems very seriously. As a matter of fact, we are in the process of developing, in conjunction with the provinces, the communities and the major stakeholders, an action plan to enable every Canadian to meet the learning standards required to maintain and increase our standard of living in the years to come. Our economic survival as a nation depends on this initiative.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, first of all, I wish to thank my two colleagues for their comments on this bill. I support most of these arguments. What I will try to do now is add a few details and explain my point of view.

[*English*]

We are here to discuss the possibility of establishing a Canadian council on education that would be funded by governments and the private sector, that would provide independent research and policy advice on education for governments in the development and implementation of national goals and education.

[*Translation*]

This will not be easy if we really want to meet this objective. I happen to be in favour of respecting provincial jurisdiction over education. I have no problem with this, because it has always been my policy, even when I was deputy minister, and I maintain that view. But there is no law against co-operation, and I would even say it is absolutely essential. Take Europe, for instance. In Europe we have a large number of countries with different languages which realized they had to co-operate, they had to work together. Why? To strengthen their assets, to give their people a better education, to ensure that their training and upgrading programs and research and development projects are among the best in the world.

You may have guessed I support this particular trend.

[*English*]

I support it. It is in line with two of the policy papers I have developed with the help of some colleagues. It is also in agreement with some of the comments and some of the initiatives that my colleague, the member for Ottawa Centre, has undertaken.

• (1930)

Why do I support it? I have already mentioned that I think it is essential to co-operate and co-operation does not mean threatening anyone's autonomy. Quite to the contrary, I think it respects it.

There is a relationship between education and prosperity. If you look at the high standards of living in the world, you will find some important investments in education broadly defined: training, retraining, research and development, additional impetus, a focus on the sciences and technologies. So there is that relationship and we need to be aware of it. We may not like it, but it is real.

If we want to be leaders as opposed to followers, we really have no choice. We are living in a changing world. I am not always particularly enthralled with all of the changes, but they are there and I think it would be irresponsible to suggest otherwise. We talk about—

[*Translation*]

—globalization, but what does it mean? We talk about it a lot, but what does it mean to us? We have to study these issues. We have to understand what is involved. We all know that despite the tremendous progress made in certain countries, there is far too much poverty in the world, especially among young people.

We also know the environment is in serious trouble. We need more education and co-operation in this area as well. We know that when we look at the international scene people are still far too inclined to try and resolve their conflicts. How? By going to war, by using very powerful weapons that could destroy the planet, let alone the countries involved. We really have no choice. We have to decide one way or the other. We can say we do not need our neighbours, but in the end, we realize it is probably easier to co-operate with them. To co-operate does not mean I lose my autonomy, my sovereignty or my independence. In fact respect for autonomy and co-operation go hand in hand.

[*English*]

The project, as proposed, has raised a number of questions and a number of important questions which I would like to deal with. Before I do that, I want to stress that we often talk about education and economic development. I have no difficulties with that. I think that is very, very important. We talk about it in terms of increased competitiveness and more productivity, and that is important too. I applaud that, but let us also talk about it as the development of the human being, the realization of the potential that each and everyone has within us. It is more than making more for more money, although that is interesting. It is also about trying to develop that human being to his or her fullest potential. That is terribly important because those people who I suspect are the happiest in the world are those who have been fortunate enough to realize a great deal of that potential. They have in fact been able to utilize that to the welfare of their immediate community and sometimes the larger community.

Let us talk competitiveness, globalization, increased competitiveness and all of those other terms, I have no difficulty with that, but let us not forget the human dimension of education which makes me more of what I am as a result of education.

The question that this particular project raises is what is the role of the Canadian Council of Education Ministers. That is not quite the accurate term. I think the term is CMEC. If I were to think just for a few moments I would probably get it correct, but it is really an organization that permits all of the ministers of education to get together to talk about education and some co-ordination.

What would happen to this particular organization, the Council for the Ministers of Education Canada? What about research. This project has a lot of emphasis on research and I think that is great, but what about the research on education that is already going on in universities? How would that fit in. How would that dovetail with this particular kind of initiative?

When we talk about the private sector I think we have to define it a bit. It is composed of what exactly? Are we talking about the total private sector, larger elements of that private sector or are we talking about small business? We need some definition there.

We need, as well, to recognize that the moment we talk about private sector it gives a dollar connotation. It gives a bottom line message. That may sour it a bit. As I indicated just a few moments ago, it is all very well to talk about more education for more wealth. It is also very important to talk about more education to deal with some of our social problems and *l'épanouissement de la personne*.

If we look at our problems in Canada today, we have serious economic problems. There is no doubt about that. We are talking about large unemployment, social assistance, people who are being fed at food banks. We are talking of 1.5 million to 2 million people, poverty of roughly 5 million people. If we look at it, it is an economic problem but there are also serious social problems. We must never forget that.

[*Translation*]

When we talk about violence against children, women and the elderly, when we talk about poverty and people who do not have enough to eat or who are homeless, these are economic problems. Yes, they are, but there is a human dimension, a social dimension which is extremely important.

[*English*]

I would hope that if we were able to go forward with such a project that we would not just have projects that are focused upon the economics but also focused upon the human dimension and the social problems.

Let me just come to a conclusion very shortly because I think that my time is almost up. I have to raise the question: Where do we go from here? What happens now?

If we were to do a poll and ask Canadians: "Do we want this kind of initiative?", I suspect that most would say yes. There are a number of well placed powerful individuals who say: "Yes, but only so far". We have got to break through that kind of elitism. We have got to take that extra step forward.

I think the people of Canada, all regions, all provinces want it. I think the government needs to take a serious look at this proposal. It needs to refine it, if it wishes to do so. It needs to discuss it with the various stakeholders, that is the provinces, the territories, the private sector and the people of Canada. Then the government needs to go forward with something extremely concrete.

Again, I must say that I am delighted that this project has been brought forward. I have said it and I am going to say it again. Education in the broadest sense of the terms is really a cornerstone of the modern, progressive, dynamic society. If we can learn to work together and synergize that which we do, then we will all profit from it, from an economic as well as a social, human dimension perspective.

[*Translation*]

Mr. Speaker, in concluding, I want to say that I hope the government will give this motion serious consideration and perhaps have it brought before the House again.

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I am also pleased to have the opportunity to speak to the proposal made by the member for Windsor—St. Clair with respect to the establishment of a Canadian Council on Education.

We all know how important education is for the future of our country, for its development and above all for its prosperity. Our standard of living, current and future, depends on our capacity to develop educational resources which should be efficient, attractive and accessible as well. Providing services is not enough for in order to do so, we must also have a thorough knowledge of all facets of this complex issue which is education. In this ever-growing and more complex world the needs in this area are increasingly varied.

Mr. Speaker, we cannot afford to turn a blind eye to that reality. That would practically amount to suicide for our society.

More than one hundred and twenty-five years ago, Charles Darwin, the naturalist, stated a fact that is still very real when he said that one has to adapt to be able to survive.

To be able to survive as a prosperous nation and as a nation whose standard of living is directly related to its competitiveness, Canada must adapt to new realities in the field of education. And those realities are as numerous as varied.

One of them, which is not the least, is that trades are increasingly specialized. In less than a century, our society went from a economy largely based on the primary sector to an economy especially based on industry, that is the processing of raw materials into finished products.

• (1940)

As we said in those times, you don't need a degree to become a farmer. Later on, since industrialization created needs, it became significantly more compelling to gain expertise in the various sectors associated with the production of goods. The incredible technologies that have developed over the last few decades have created a very different world. Today, it is obvious for everybody that in the 21st century we will have a service-based economy. There is a good reason why this is obvious for everybody—we already live in this futuristic world.

Mr. Speaker, this is a world of computers, aerospace and biotechnology. In short, it is a high technology world. That is precisely where education matters. Canada must have the capacity to train people for these jobs, to further knowledge in this area, and to understand clearly the social, economic, and cultural changes brought by high technology.

If we are to fulfill this ambition, our education systems must absolutely develop, they must progress more according to the new requirements that we now face. In that context, research on education would have all its meaning.

In that spirit, the federal government has tabled a paper entitled "Learning Well—Living Well", to initiate, on the national level, a discussion on Canadian objectives and priorities in learning and training, which will lead to a consensus. It is the Minister of Employment and Immigration who is responsible for holding this

discussion with national organizations, communities and different sectors concerned with education and training. *Learn Well— Live Well* recognizes among other things that, in order to remain internationally competitive, Canada must enhance knowledge and have an environment where millions of Canadians will commit themselves to making education and training a lifetime endeavour.

Earlier, my colleague from Saint-Maurice corrected the record, and I would also like to do it so that my colleagues from the Bloc Quebecois, on the other side, will be happy. It is true that education is a provincial matter, a good responsibility, which I think extends beyond the Quebec border or any provincial border, because everything that is related to the development of such a great country as Canada is also related to the federal government. I think that to better coordinate education, while giving rights to the provinces, and we are living a very typical moment in history, Canadian unity is important. But it is not why I say that; it is because I really believe that Canada must have a special interest in the education of all its citizens.

A while ago, my colleague was talking about certain countries, and about how Canada compares with Germany and France. I even noted that Italy had the same problems. They make good progress, so why satisfy ourselves. For myself, as an immigrant, as an Italian Canadian, education is much more important. One language is not enough for us, neither are the two official languages. We would like to have three or four languages. For us, three is a minimum. Why? Because for our people, education means respect. For instance, in Italy, when a teacher or even certain politicians walk down the street, people stop to greet them. That shows how important education is. Professors have the title of doctor, whatever their subject. It is like in French, when they say "maître" to a lawyer. Why? Because education is very important for our people and we do not see that only in one area of the country, but everywhere. It is also because the development of education is of vital importance for the future of our businesses. The Minister of Industry, Science and Technology, who is also Minister of International Trade, recognized this explicitly in *Prosperity through Competitiveness* which was made public, I think, at the same time as *Learning Well—Living Well*.

This opinion is in fact shared by most countries around the world. Everyone is now aware of the absolute necessity for the education system to adapt to the skilled labour requirements of the business sector in order to satisfy its needs efficiently.

The Governor General of Canada provided us with several disquieting facts in his throne speech last May. Three out of ten students drop out of high school before graduating; four out of ten adults cannot read or count well enough to perform everyday tasks; Canadian industry spends than half as much on training as American industry, a fifth as much as the Japanese and an eight as much as the Germans.

He confirmed that the time has come, without infringing on provincial jurisdiction in this field, as I explained earlier, to reach a national consensus on performance, goals partnerships and priorities for learning. We are well aware of the challenges this will create.

This government has for many years recognized that drop-outs, the high cost of employee training in industry and illiteracy pose very serious problems.

To conclude, one can only applaud the member for Windsor—Lake St.-Clair's initiative in creating a Canadian Education Council. Such an agency, jointly funded by government and the private sector, which would provide the government with independent advice on research and action programs, is of obvious interest.

Mr. Speaker, thank you for the time allotted to me. The federal government intends to make every effort to support this essential cause.

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I am pleased to speak to this motion and, above all, to say how surprised I am to see Conservative members from Quebec speak with such eagerness in favour of a motion that gives the federal government more power in the area of education.

If there is an area that, historically, Quebec politicians wanted unanimously to keep under exclusive provincial jurisdiction, it is education. We can go back to Duplessis, who did not want the federal government to give money to universities because it was outside its jurisdiction.

Let us not forget the great struggles lead by Lesage in the 1960's, by Bourassa, by Bertrand, by Lévesque, and again recently by Bourassa who condemned, by means of a unanimous resolution of the National Assembly, that is a resolution supported by both the *Parti québécois* and the Liberal Party, the federal government's intention to establish national standards for labour training as expressed in last May's Speech from the Throne.

Today, we see Conservative members from Quebec say yes to a motion presented by a member of a party in favor of centralization, say yes to a motion that would allow the federal government to take charge of an area that, historically, has been under the exclusive jurisdiction of the Quebec government. It is unbelievable. They seem unaware of what they are doing recently, those Tory MPs from Quebec. We saw them say yes to a motion, to a Speech from the Throne that talked about interfering in the area of labour training. We saw them applaud the Minister of Communications who wanted to interfere in the area of telecommunications, an area of exclusive provincial jurisdiction. Again Quebec expressed its disagreement.

We saw the same thing in the debate we had today on the environmental bill, an area that Quebec wants to have under its jurisdiction.

• (1950)

Today the Quebec legislature unanimously condemned the federal government for trying to intervene with this environmental legislation, Bill C-13. What will it be tomorrow? Will we see Conservative members from Quebec voting against Quebec, as the Liberals did in 1982 when the Constitution was brought home? You will recall Quebecers call these 73 Liberal members noodles them. How would they call the Conservative members now. There is no doubt that they will be treated just like the Liberal members were treated then. When I watch them reach with their big hands into such sacred areas of jurisdiction as education, I think: Never have the Conservative members so openly said such stupid things.

I am deeply shocked, to see the support those two Quebec members just lent to such interfering in education. I recall all the motions which were unanimously passed by the Quebec legislature, whatever party was in office, and which said: No interfering in education, never in such a sacred area of jurisdiction. Manpower training is also a sacred area of jurisdiction, witness the fact that agreements have been reached in all the areas of manpower training so that Quebec can keep its powers.

Again I am flabbergasted to see these two members accept such a thing. Whether we are talking about manpower training or training in the primary and secondary industries, education is under the jurisdiction of the Quebec government and the federal government should never interfere in that field, as we have done in the past and as we are trying to do right now, as I mentioned earlier, in the areas of education, communication, and whatnot. Let us not forget that during previous and current constitutional discussions and during all the debates which took place, there has never been any questioning about the fact that education is a provincial responsibility.

But today, on a motion presented by a member of a party in favour of centralization, two Conservative members from Quebec rise to say that, from now on, education should be a federal responsibility. The federal government should take up sacred jurisdictions. The federal government should administer everything, and the provinces should become large city councils. They should not have any responsibility in areas such as communications and education, in all areas where Quebec performed so well.

I remind the hon. member for Laval-Est that when you talk about vocational training you have to remember that the needs are different. The needs in Quebec are not the same as the needs in the east where the economy is based on fishing, or in the west where it is based on agriculture, or in Ontario where it is industry, especially automotive industry. We have diversified. I remind the two conservative members who just spoke that during an employment forum held in Montreal, with the *Conseil du Patronat*, all the Quebec unions, opposition members, provincial liberal members, there was unanimity to demand exclusive jurisdiction in that field in the constitutional talks. Quebec should have sole jurisdiction over education, including vocational training. There was unanimity. When Mr. Bourassa was touring Quebec a year ago he was saying: "There is one priority, one area where we will never give up, and that is getting back sole jurisdiction over vocational training".

This is what people from Quebec expect from their members, that they rise, like I did today, and that they uphold the superior interests of Quebec, that they prevent the federal government from interfering in areas as sacred as education, and not—

[*English*]

Mr. René Soetens (Ontario): Mr. Speaker, the hon. member obviously is interested in protecting the interests of his province, even though he is not really interested in having it as part of Canada.

In his speech, he has made reference to Ontario and how we have a very narrow automotive industry as our only industry and that Quebec is so much more diversified than the rest of Canada. Since he is demanding members stand and rise, I would like to rise and point out to him that Ontario has a very diverse economy.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I again give the floor to the hon. member for Richelieu.

Mr. Plamondon: I hope, Mr. Speaker, that you will add the time that the hon. member just took, since it was not a point of order but an opinion that he expressed. He talks about diversification. I admit that Ontario has diversified, and has diversified greatly throughout Canada's history. It does so by doing its own occupational training. It is an example for industry where a province has developed industries by using its own powers.

In Quebec today, occupational training is very diversified because no industry is larger than 10 per cent of Quebec's economy. This very diversity means that the needs are often very specific to a region and cannot tolerate interference from a central government in terms of national standards. I was about to say how much all Quebec governments recognized this. Every government of Quebec has recognized this point. The Premier of Quebec has been saying so for a year, his ministers too, his Cabinet, the opposition as well, the Conseil du patronat, all the unions say the same thing. Quebec's interests will be well defended in Ottawa if we take back all responsibility for occupational training. It is unacceptable for Conservative members from Quebec to prostitute themselves in the same way as Liberal members in 1982 to cut services that Quebec already controls.

Mr. Della Noce: Mr. Speaker, I rise on a point of order. With all due respect to my colleague and hon. friend, I would like to say first of all that I do not feel included in that category of traitors of which he spoke earlier. I invite him to read again the two speeches and also to say the truth. On top of that, I would like to remind him, concerning the environment bill he defended, the one before this one, that it was his chief, the member for Lac-Saint-Jean—

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Longueuil.

Mr. Leblanc (Longueuil): Debate.

The Acting Speaker (Mr. DeBlois): On debate, the hon. member for Ontario.

Mr. Plamondon: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. DeBlois): I am sorry, but this is not a point of order. I will now recognize the hon. member for Ontario.

[*English*]

Mr. René Soetens (Ontario): Mr. Speaker, I am pleased to rise on this very important occasion. What you have heard from the members today on this motion of the member—

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member for Richelieu rises a point of order, but if he only wants to know whom I will recognize next, I will interrupt him immediately.

Mr. Plamondon: I would like to know, Mr. Speaker, how you decide which members will be recognized. Do you recognize those who rise first or do you have a list?

The Acting Speaker (Mr. DeBlois): The Chair tries to see to it that all points of view are expressed in the House. According to tradition, after having recognized a member on one side of the House, the Speaker looks on the other side of the House. That is what I do by recognizing the hon. member for Ontario.

[*English*]

Mr. Soetens: Mr. Speaker, I appreciate the opportunity that you are providing.

To make sure the member understands, I did make a point of advising you that I was most anxious to speak on this motion on education. Education is extremely important, not just to the province of Quebec or to the province of Ontario. It is obviously very important to everyone in this country and it has been very important to this government as we have indicated in our past actions. It continues to be a very prime concern on actions that we are involved in.

I hope that nobody, not the members opposite nor the members on our side, can be happy that we have a 30 per cent drop-out rate from our high schools. No one pretends that our literacy and numeracy rates are adequate because they are certainly not.

No one pretends that the educational status quo will do in the face of increasing competition globally and our growing reliance on knowledge based industries and occupations. In fact there is an emerging consensus that we in this country must seriously reassess our current approach to education in Canada. We all appreciate that we must reconsider our education goals, our training programs and our teaching priorities.

However, it is also clear that the challenges that confront Canadians in education will only be resolved through a measured, co-ordinated and co-operative program.

The Acting Speaker (Mr. DeBlois): 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.

[*Translation*]

It being 8 p.m. this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 8 p.m.

HOUSE OF COMMONS

Thursday, March 19, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE

1991 PUBLIC REPORT

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I have the honour to table, in both official languages and under Standing Order 32(2), copies of the Canadian Security Intelligence Service public report for the year 1991.

I would ask that it be referred to the Standing Committee on Justice and Solicitor General.

* * *

ORDER IN COUNCIL

NOMINATION AND REFERRAL TO STANDING COMMITTEE

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I would like to table, in both official languages, a nomination recently made by the government and, pursuant to the provisions of Standing Order 110(2), it is deemed referred to the Standing Committee on Communications and Culture.

* * *

NATIONAL SECURITY

ANNUAL STATEMENT

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, a year ago the government announced that the Solicitor General would begin in 1992 to make an annual statement to Parliament on national security.

[*Translation*]

I am pleased to deliver the first such statement today.

[*English*]

In my remarks I want to address three dimensions of national security: first, the changing international environment; second, the security intelligence challenges that Canada faces in the current period of international transition; and, last, the government's firm commitment to safeguard fundamental liberties while assuring Canadians their security.

• (1010)

Canadians today are engaged in an important debate on our country's future. We have before us decisions on some of the most fundamental questions that people can ask themselves. We are privileged to have institutions such as this and traditions of public consultation which allow us to consider these questions in an informed and democratic way.

We are privileged in another respect as well.

[*Translation*]

For the first time in a generation, we can consider our future without also having to worry about the cold war.

[*English*]

We have entered a new era in the affairs of nations. The cold war is over. The iron curtain is gone. The Soviet Union has disintegrated. Countries of central and eastern Europe are finding their own paths. It is a time of hope and expectation. Canadians share these hopes and we have pledged to do everything that we can to bring them to fulfilment.

But we know from history that periods of international transition are also periods of potential danger. In recent months the long list of regional conflicts has grown longer, with the outbreak of fighting in Yugoslavia and in parts of the old Soviet empire. Dictators still impose their will in many parts of the world, practising terrorism against their enemies and scheming to acquire even more sophisticated weapons.

International competition for advanced technology, including weapons technology, continues unabated.

[*Translation*]

In brief, Canadians are right to judge the future to be more promising than the past.

[*English*]

While we hope for a brighter future, we have to take precautions against current and potential threats.

Our origins, our diverse population, and our national interest mean that we will continue to have important links with the world beyond our shores. In light of those changes that are taking place in the world, I have asked the director of the Canadian Security Intelligence Service to prepare and submit to me an assessment of how the evolving security environment might affect the service's mandate over time.

The review will consider future security intelligence needs, examine how the service ought to be structured to meet those needs, and determine the resource implications of any measures that might be recommended.

I have instructed the director to be mindful of budget realities and the government's commitment to improving the efficiency of government operations. Canadians can be reassured that public safety will be the government's highest priority in the national security sector. We will continue to place a high priority on protecting democratic rights, freedoms and institutions; ensuring economic security; promoting international peace and security; and safeguarding those human intellectual and physical assets that the government manages in trust for the people of Canada. These priorities are long-standing.

[*Translation*]

The service's primary mandate is to investigate suspected threats to the security of Canada. These can take many forms, including espionage, terrorism and attempts by foreign governments to exert clandestine influence in Canada against Canadian interests.

[*English*]

The service also has a mandate to provide security assessments to departments and to provide security advice on applications for immigration and citizenship.

Last August an attempted coup in Moscow offered a pointed reminder of the fragility of democracy in Russia and eastern Europe and of the need to remain vigilant. Until the situation clarifies, we will be faced with many questions.

Will the former servants of Soviet imperialism be content to fade into obscurity? How will the new governments in the region use the offensive intelligence services that they have inherited? Will they restrict themselves to open sources, or will they engage in espionage? Will they target only neighbouring countries or more distant states such as Canada? Will governments that have inherited economies which have been devastated by decades of mismanagement use their intelligence sources to acquire other scientific and technical data?

In the meantime we know that governments elsewhere have continued to mount offensive intelligent collection efforts against us. High-tech industries, especially nuclear technology, appear to have been attractive targets. The proliferation of sophisticated weapons and delivery systems is a global concern. When the arsenals of dictators include chemical, bacteriological and perhaps even nuclear weapons, we cannot be complacent.

Clearly we will need a capacity to defend ourselves against foreign intelligence services as long as people are prepared to use deceit and deception to their advantage.

The political and economic discontent found in so many parts of the world has also had consequences for us which warrant close attention.

[*Translation*]

One such consequence has been terrorism.

[*English*]

Last year after a period of decline there was a resurgence of international terrorism, prompted in part by events in the Persian Gulf. Fortunately Canada has never been a target for terrorism the way some European states have been, but neither have we been immune.

[*Translation*]

Over the years, lives have been lost and injuries suffered. To deal with the problem, a national counter-terrorism plan is in place.

[*English*]

It is consistently being updated to take into account the events of the day. The plan co-ordinates the efforts of all relevant departments and agencies, both federal and provincial. Despite these precautions, our first line of defence remains accurate and timely information about the activities of political terrorists.

A further consequence of international unrest has been the movement of millions of people seeking a safe haven and a more prosperous future. Many of them have come to Canada. A few of those new arrivals have sought to pursue their ancestral disputes by violent means, ignoring our peaceful and democratic political traditions. Canadians can be assured that measures are now in place to uncover those applicants for whom violence is a political option.

Meeting the challenges of the new international environment will test our national security and its institutions as never before. With the passage of the Canadian Security Intelligence Service Act in 1984, the government created CSIS to provide the government with information on threats to Canada's security. In companion legislation, the Security Offences Act, Parliament affirmed that the RCMP would retain primary responsibility for security related law enforcement and the protection of persons and property. Functions assigned to CSIS and the RCMP are distinct but complementary, and the two agencies have coped well with institutional change since 1984. The effectiveness of these measures was never more evident than during the gulf war last year.

[*Translation*]

CSIS and the RCMP worked hard to ensure that Canadians were spared from terrorist attacks.

[*English*]

I want also to talk about what will not change, and that is our regard for the fundamental rights and freedoms while we are assuring national security. Canadians expect their security system to be effective. They also want to be assured that security will not be achieved at the expense of the fundamental rights and freedoms of individuals.

Through the CSIS Act, Parliament ensured that both objectives would be met by the legislative and institutional arrangements it put in place. Parliament provided that CSIS could use its extraordinary powers of investigation only to the extent strictly necessary to perform its duties. The most intrusive powers could be used only after they have been approved by the Solicitor General and by the Federal Court of Canada.

Their use is also subject to review by the Inspector General of CSIS and by the Security Intelligence Review Committee. Control and accountability arrangements for CSIS include ministerial direction on a wide range of activities. These cover the services annual priorities, the operational methods, co-operative arrangements with domestic and foreign agencies and reporting requirements. Ministerial directions and approved operational policies are in place to ensure that investigations are pursued with due regard for the rights of individuals under investigation.

• (1020)

CSIS and the RCMP recognize and understand the central role of such measures in safeguarding fundamental rights and freedoms in Canadian society. This is because they share the essential values, principles and convictions of a nation united in respect for law, the rights of individuals and the collective well-being of all.

A few months ago the Prime Minister pointed out that there is no map to help chart the course of world peace in these changing times.

[*Translation*]

We have only our values, he said, and the hard-earned lessons of the past to go on.

[*English*]

I believe that Canada's national security system, so recently conceived and developed, reflects and embodies this nation's values and experiences in pursuit of the twin goals of security and liberty. I am confident that Canadians can continue to enjoy a degree of security and liberty that is and will remain the envy of the world.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I rise today on behalf of the Liberal Party of Canada to respond to the statement made by the minister.

Before I begin my substantive remarks, I want to take a moment to thank the minister personally for his courtesy in providing a copy of the report and a copy of his proposed remarks well in advance of 10.10 a.m. today so that I would have an opportunity to review them.

This is something that is much appreciated by myself, and it is something that is of course difficult for the minister because he must expect that I am going to be criticizing the remarks that he made on the report. He is not going to be disappointed. However having said that, I do appreciate the courtesy extended by the minister.

The minister began his remarks by saying that in 1991 he announced that he would make an annual statement to Parliament on national security. Today is an historic day in Canadian history because this is the first statement of its kind ever delivered to the House of Commons.

We have to ask ourselves, is this just something that the minister thought up on his own or was there something more behind it? Of course there was something more behind it, and I think it is important that Canadians know exactly what it is that, if I may put it this way, prompted the minister to bring in his report.

A special committee was struck by the House of Commons on June 27, 1990 and its mandate was to undertake a comprehensive review of the provisions and operations of the Canadian Security Intelligence Service Act and report back to the House. It was a very comprehensive report entitled "In Flux but not in Crisis".

I want to pay specific tribute to the members of that committee, particularly the chairman, the hon. member for Lethbridge and two members from my party, the hon. member for Scarborough—Rouge River and the hon. member for Moncton. They worked very hard to come up with many, many recommendations. The hon. member for Scarborough—Rouge River, my colleague, is also at the present time the vice-chairman of the subcommittee on national security and takes a particular interest in these issues.

This document produced 117 recommendations. For all intents and purposes, only one of those 117 recommendations was accepted in whole by the Solicitor General. That was number 47 which reads: "The committee recommends that the Solicitor General require the director of CSIS to provide the minister with an additional annual report that can be tabled in Parliament".

In the ministry response to those recommendations, entitled "On Course", the minister had the following to say. It is on the basis of the minister's own words that I will be commenting on the statement today: "The government agrees with the special committee that the annual release of a report on security intelligence matters which could be tabled in Parliament could contribute significantly to informed public debate.

Therefore at the time of tabling the main estimates, the Solicitor General will provide Parliament, beginning in 1992, with an annual statement on the national security issues that face our country. This statement will discuss the major national security issues that were dealt with during the previous year and highlight directions for the year ahead. The minister's statement will be accompanied by a public annual report from the director which will include a discussion of the threat environment."

It is on that basis I propose to examine both the report and the minister's statement today.

After listening to the minister, my first reaction was to remember that commercial of a few years ago where the lady is looking into the camera and shouts, "Where is the beef?" That is exactly the problem. There are many generalities but no specifics. Where is the beef in this statement and indeed in the report?

The minister said we must take precautions against current and potential threats. What threats? What precautions? They are not mentioned. He reminds us that Canadians can be reassured that public safety will remain the government's highest priority. Is public safety threatened? If not, is public safety likely to be threatened in the foreseeable future? If so, why? No answers.

The minister refers to counter-espionage. He asked many questions concerning the intelligence service remnants of the fallen Soviet Union. But there are no answers.

He says without explanation that governments have continued to mount offensive intelligence collection efforts against us. But there is no further information. How does any of this contribute to informed public debate, which the minister told us his statements were going to do?

In referring to counter-terrorism he told us that there is a national counter-terrorism plan in place. Indeed that is reassuring. However, there is no mention whatsoever in his statement that the special emergency response team SERT, which is a branch of the RCMP and was specifically set up to deal with terrorist attacks, is being disbanded to be replaced by a group within the armed forces, no discussion that that has either occurred or is occurring smoothly and the armed forces are ready, willing and able to take over this responsibility. Is this contributing to informed public debate?

He refers to security screening. He says it is the job of CSIS to screen potential immigrants for violence and people who would ignore Canada's peaceful and democratic political traditions. There are no details of how this is being done. I might add there is no discussion how Mr. Al-Mashat, an ambassador of an enemy state, got past this screening.

Referring to the CSIS act itself, he reminds us that CSIS was created to provide government with information on threats to Canadian security. Has CSIS fulfilled its mandate? The minister does not say. Is this contributing to informed public debate?

He refers to human rights and the fundamental rights and freedoms of individuals. Thankfully the minister reassures Canadians that these are being respected by CSIS.

We have to look at the following question. Does the minister's statement today fulfil his own promise as I read it a few moments ago? In my view and in the view of the Liberal Party, the answer must be a profound triple no.

First of all, does it contribute to informed public debate because there is little or no information provided, only many generalities and platitudes. Does it discuss the major national security issues dealt with in the previous year as promised by the minister in writing? Absolutely not.

There is no mention even in the broadest terms of actions taken to protect Canadians prior to, during, and after the Persian Gulf War. There is no mention, even though security clearance of immigrants is a part of the mandate, of the Al-Mashat affair and the CSIS role or lack of role in it. There is no mention of the allegations that certain foreign intelligence services are operating clandestinely in Canada and what, if anything, CSIS did or is doing about it. The CSIS report itself contains no specific discussion of the "threat environment" in Canada as the minister promised that it would.

• (1030)

In conclusion, the Liberal Party recognizes that this is the first report of its kind in Canadian history and I have already applauded the mechanism by which this became the fact.

We also acknowledge the truism that a baby must crawl before it can walk. We call upon CSIS and the minister to ensure now that they can crawl, future annual statements and reports contain more information, as promised by the minister himself, so that Canadians can have an informed public debate, be aware of the national security issues which face our nation, consider the major national security issues which face our country from year to year and how we are to handle them.

Mr. Derek Blackburn (Brant): Mr. Speaker, I stand with mixed feelings this morning because the minister has just presented a statement to the House based on a report by a special committee of this House that had 117 recommendations, and as my friend has just said, this is the only recommendation in its entirety that has been really accepted.

Having listened to what the minister had to say this morning, I doubt very much whether our time was well spent, to say nothing of the minister's time, because there is virtually nothing in this statement that will enlighten or inform either Parliament or the Canadian public.

First of all, I want to refer to the preface of a document published about a year ago, February 1991 entitled *On Course, National Security for the 1990s* and signed by his predecessor the Hon. Pierre H. Cadieux.

Toward the end of the preface of the introduction the former Solicitor General says: "But confidence in the system, that is the security system, can be improved by providing Parliament with more information on security issues".

All I can say this morning is that this statement by this minister is a profound disappointment. There is virtually nothing in here that will inform Parliament or the Canadian public on matters referring to intelligence and security.

I say that knowing full well there are certain matters in the intelligence and security system that cannot be divulged either to Parliament publicly or to the general public as a whole. Quite frankly most experts, most good books on the subject, will argue very forcefully that upwards of 80 per cent, to 90 per cent of the information that security and intelligence services have world-wide in democracies could be released to their legislatures, and through their legislatures to the public, without any diminution whatever in maintaining the security of those democratic countries.

I offer that to the minister. I hope that in his next report in a year's time if we are still sitting here—and I said if we are still sitting here—that he will come forward with a document that has more substance to it, that will clearly inform not only this side of the House but his own members on matters of national security. Having said that, I want to get to the substance of my remarks which will be brief.

We in the New Democratic Party welcome this first of 117 recommendations made to the government by an all-party committee some two years ago.

As my hon. friend across has said in his ministerial statement on national security, the world has indeed changed in the last 24 months. But complacency still remains one of our worst enemies in the face of the very real threats of terrorism and industrial espionage.

This statement on national security and all others that will follow in the years to come must remain part of the process of government accountability as well as publicity.

A year ago the parliamentary Sub-committee on National Security was created and the first problem it confronted was disclosure, tight-lipped government officials hiding behind the argument of national security in order to dodge questions of accountability.

There is a way to keep our country safe, while at the same time preserving the fundamental principles of openness in a democracy. It has been done elsewhere and it can be done here.

This document is more interesting by what it omits than by what it contains. This government has the duty and obligation to disclose to the committee all arrangements made between CSIS and foreign countries.

What memoranda of understanding does CSIS have with its American counterpart, the FBI, or the National Security Agency through CSCE, or the CIA for that matter, or any other foreign intelligence agencies, namely Mossad, if there are in fact any memoranda of agreement or understanding with those agencies.

Does the government not know that foreign intelligence services are operating in Canada? The Victor Ostrovsky/Mossad affair is a case in point. Israeli intelligence officers entered Canada and intimidated a Canadian citizen, chased him around this city, followed him to Toronto and harassed him. Despite a dozen appeals by this citizen, CSIS took no direct action to protect this individual, or at least we do not know whether CSIS did or not. Only a municipal police force showed any willingness to assist him. All the government did was to slap an Israeli diplomat's wrist over the whole affair. This government must answer for this particular negligence.

We must also demand accountability on how the CSIS Act has affected us at home. Does CSIS share information about Canadians with Employment and Immigration, External Affairs or National Health and Welfare, to name only some departments?

Canadians know barely anything of the Canadian intelligence system through no fault of their own. What about the most secretive of all agencies, the Communications Security Establishment? There is not a single law that regulates it. What does it do, what powers does it have, whom does it serve, what method does it use to gather information, what is its budget, who makes sure

that it operates legally? In other words, why is it there? On whom is it spying? Is it spying on Canadians indirectly through NSA to avoid Canadian law? And is the NSA spying on Americans through CSE to avoid American law? We do not know this. And yet we are a democracy. Again, it is part of a government that is too closed and too secretive.

The gulf war proved to us that law-abiding citizens in this country can still be intimidated by the force of government. A knock on the door late in the evening by CSIS officers, two hours of questioning, no rights explained, no one to turn to for help.

Allegations have been made that the Israeli intelligence service used the confusion and hysteria over the war to interrogate Canadians while posing as CSIS officers. The government has failed to reassure Canadians that this did not happen, nor that it can prevent it from happening again.

I include this allegation because that is precisely what Mossad did in Norway. In Norway the head of its security and intelligence system was fired as a result of it.

The Supreme Court of Canada recently demonstrated how senior bureaucrats and secret agencies still have total control over the security assessment of ordinary Canadians. CSIS looked into some 65,000 such requests last year alone.

According to the law, the Security Intelligence Review Committee, the public watch-dog and the only public watch-dog we have of CSIS, has no powers to overturn negative security clearance decisions for federal employees. How many honest Canadians did CSIS turn down? How many then realized there was no appeal process to turn to? What about their future job prospects?

The SIRC has done a good job on balance over its history, but it is pretty toothless. It is far too restricted by statute. Parliament recommended two years ago that this be changed. The government replied that there was no need to be alarmed, and nothing has been done about it.

I can recall the meetings we have had with SIRC members, putting questions to them. They make every effort they can to inform the committee, at least that is my impression. Yet we know that they are circumscribed, they are restricted, they are prevented from giving us the information we want as a subcommittee of this House and an elected body. The time has come, Mr. Speaker, and I say this through you to the minister, to put an end to this, to take the Sub-Committee on National Security into the government's confidence. I can assure you that we will act in a responsible way.

• (1040)

The CSIS Act still needs to be amended. SIRC must be given more weight and influence in the appeals cases. It must be able to investigate the operations not only of CSIS, but of all government intelligence branches, from external affairs to defence, immigration and also CSE.

The Sub-Committee on National Security must be briefed on all arrangements made between CSIS, the RCMP, CSE and all countries with which we deal in the intelligence world. I am not asking for all of the minute details, but in general, what are those agreements and why? What are the purposes?

Above all, the public must know that someone somewhere is working to protect them from the secret intelligence machinery of government, any government, in this country.

Two years ago, we made 117 recommendations to change our policies and laws in the field of national security. So far, the government has implemented about one and one-half, perhaps two at the most.

The system is far from perfect. The government's attitude towards the whole issue needs to change now. It is its responsibility to listen to criticism, to implement recommendations and to account for its decisions. Otherwise, there will be no rights and privileges for CSIS to protect.

In conclusion, I am not satisfied with pious platitudes. This document could have been released a week ago and nobody would have ever dreamed of leaking it. There was nothing in there to leak. It is a profound disappointment, as I said at the outset.

I know the minister is acting on instructions from his senior bureaucrats in the security and intelligence field and that is a two-edged sword. I know that ministers have to take the best advice they can get, but I would hope that ministers would also exercise their independent judgment as well.

I also hope that this government will break out of this secrecy and inform the parliamentary Sub-Committee on National Security of a great many more facts relating to the activities of CSIS. In that way, we would then truly have the best arrangement in the free and democratic world.

Routine Proceedings

PETITIONS

CRIMES OF VIOLENCE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition today pursuant to Standing Order 36. The petition has been certified to be in its proper form and it has been signed by numerous Ontario residents of Kingston, Odessa, Newburgh and other communities in the vicinity.

The petitioners are concerned about violence in our society and they call upon Parliament to recognize that crimes of violence against persons are serious and abhorrent and they call upon this House to amend the Criminal Code of Canada, the Bail Reform Act and the Parole Act in order to minimize violence.

LABELLING OF ALCOHOLIC BEVERAGE CONTAINERS

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I am pleased to rise and present petitions that have been signed by 6,983 persons in British Columbia.

These petitioners ask the government to acknowledge that alcohol is a drug and that many people are unaware of the health risks posed by alcohol because it is so widely accepted in our society. This is especially true of pregnant women, many of whom do not even know that drinking may lead to birth defects. Alcohol consumption has also been linked to impairment of a person's ability to operate machinery or automobiles, to hypertension, liver disease, cancer and other addictions.

Warning labels on alcohol have already been put in place in other jurisdictions, including the Yukon and the United States. In fact, alcohol produced in Canada for export to the United States must be so labelled.

These petitioners ask that Parliament consider requiring labels on all alcoholic beverages to warn consumers, including pregnant women, of the health risks involved in the consumption of alcohol.

I would also like to pay tribute to the woman in B.C. who organized the petitions, my constituent, Joy Gilmore, who has worked very, very hard. I know that all members of Parliament in this House have heard from her on this issue.

TAXATION OF LONG DISTANCE TELEPHONE CALLS

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to rise under Standing Order 36 to present this petition signed almost exclusively by residents of Burns Lake, B.C. in my riding. Really it is a petition on behalf of all northerners in British Columbia.

The petition expresses concern on the additional cost by the taxation on long distance calls. People living in rural and northern communities are much more dependent on long distance telephone calls for services like health and information.

These petitioners call on Parliament to ensure that we have a fair tax system for northerners.

JAMES BAY II PROJECT

Mr. Jim Fulton (Skeena): Mr. Speaker, I am honoured to present to the House, certified pursuant to Standing Order 36, a petition signed by hundreds of Canadians who are concerned about Hydro Quebec's plans to proceed with the project known as James Bay II.

They are concerned that the project has not been subjected to a full federal environmental assessment review process and that the health, livelihood and culture of the Cree people of northern Quebec would be adversely affected if the project was allowed to proceed as proposed.

The petitioners therefore call upon Parliament to conduct a thorough and full environmental review of all portions of the James Bay II project that fall under federal jurisdiction.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 103, 210 and 222.

[*Text*]

Question No. 103—**Mr. Holtmann:**

1. With respect to the Canadian consulate in Kiev, USSR (*a*) what is the status of credentials of the Consul-General (*b*) how many officers are there and what are their specific duties (*c*) what is the citizenship of each staff member (*d*) what is the operating budget for the Consulate?

2. How do the staffing positions in Kiev compare to (*a*) other Canadian consulates (*b*) German, French and U.S. consulates in Kiev?

Hon. Barbara Jean McDougall (Secretary of State for External Affairs): 1. The former Consulate General in Kiev was raised to the status of an embassy on January 27, 1992. It is accredited to Ukraine. There are currently three Canada-based officers at the embassy: a chargé d'affaires, responsible for managing the embassy and for the political and trade programmes; an immigration officer, responsible for the visitor programme; and an administrative officer. The 15 locally-engaged staff members are Ukrainian citizens. The estimated operating budget for the embassy in the 1991-92 fiscal year is $220,000, not including salaries of Canada-based staff.

2. The staffing level of the Consulate General was comparable with that of consulates in major European cities such as Munich, Dusseldorf, or Milan. It is now being expanded in connection with upgrading to embassy status. Plans call for 11 Canada-based staff members to be deployed in Kiev. The timing of their arrival will depend on the progress of chancery renovations and availability of housing. Locally-engaged staff will also be augmented. The staffing levels of the USA and French missions, previously two officers each are also being expanded. The German mission last year had a staff of 15.

Question No. 210—**Ms. Phinney:**

How many disabled persons are employed by the government?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): As of December 31, 1991, there were 6,480 self-identified persons with disabilities employed in active status under the Public Service Employment Act. Persons with disabilities are represented in all occupational categories: 91 per cent are indeterminate; slightly above 3 per cent work part-time, less than the Public Service-wide average of 3.5 per cent. Persons with disabilities represented 3 per cent of the Public Service in 1991 compared to 2.6 per cent in 1987.

Question No. 222—**Ms. Callbeck:**

What are the guidelines or terms of reference used by Canada Post Corporation when deciding upon the closure of post offices?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Canada Post is constantly reviewing its network of postal outlets to ensure that they best meet the needs of our customers.

In rural communities, the review of postal services in a community begins following a natural opportunity, which is defined as:

A vacancy in the postmaster's position, such as resignation, retirement, promotion, transfer, etc.;

The unsuitability or unavailability of the premises housing the post office; or

At the request of the community.

The purpose of the review is to determine the best way to continue to provide postal service to the community. This review could result in:

The re-staffing of the postmaster's position;

Conversion to a retail postal outlet;

Amalgation of retail postal services to a nearby community; or

The opening of a retail postal outlet in the community and re-staffing of the corporate outlet.

In every case, however, local mail delivery and the community's postal identity are maintained.

Factors that influence the decision include:

The size of the community;

The demographic trends of the community and area;

The current method and level of service;

The distance to the nearest community;

The revenues earned and the costs incurred at present;

The business base of the community;

The facility currently housing the post office; and

The need for the outlet in Canada Post's mail processing and delivery network.

In urban communities, changes are made with service to our customers as the first priority.

[*English*]

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

The Acting Speaker (Mr. DeBlois): The hon. member for Skeena, on a point of order.

Mr. Jim Fulton (Skeena): Mr. Speaker, yesterday the parliamentary secretary tabled question No. 217 in my name from February 3, 1992, which was a question on the Order Paper regarding Revenue Canada and the Department of Fisheries and Oceans paid informant program.

Regrettably part of the answer is inaccurate and false. It states:

> Fisheries and Oceans does not have an on going paid informant program.

In fact, on February 13, 1992, the Minister of Fisheries and Oceans wrote to me laying out the paid informant program that has been operated by his department since 1984, the amount that has been paid out per year, the number of payments that have been made and the results of the information obtained from those informants.

I would ask that the parliamentary secretary give an undertaking to the House that the inaccurate and false information contained in the return be remedied, either through the Minister of Fisheries and Oceans or through the tabling of a further and accurate response to a question placed on the Order Paper.

Mr. Cooper: Mr. Speaker, I will have to verify the information that the hon. member has put before the House. We will certainly do our best to make certain he does get an accurate and honest answer to his question.

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

NORTHWEST TERRITORIES WATERS ACT

MEASURE TO ENACT

The House resumed from Wednesday, March 18, consideration of the motion of Mr. Siddon that Bill C-51, an Act respecting water resources in the Northwest Territories, be read the second time and referred to legislative committee B.

The Acting Speaker (Mr. DeBlois): I wish to inform the House that because of the ministerial statement, Government Orders will be extended today by 33 minutes, beginning at 1 p.m., pursuant to Standing Order 32(2)(a).

[*English*]

The hon. member for Skeena, I was wrong last night. You have five minutes left in the debate.

Mr. Jim Fulton (Skeena): Mr. Speaker, as you will recall last evening I had the remarkable opportunity to enter into the debate on Bill C-51, legislation to amend the water act in terms of the Northwest Territories. It was a peculiar circumstance because the government introduced the legislation and then did not put up any speakers. In fact, for awhile they all vanished. It was truly an unusual state of affairs.

Certainly the residents, the Canadians who live north of 60 in the Northwest Territories are very interested in this piece of legislation. It is a piece of legislation that delegates the authority presently held by the Minister of Indian Affairs and Northern Development, a piece of legislation that is administered by the bureaucracy here in Ottawa. As you would know, Mr. Speaker, even if one lived in a large community such as Yellowknife, having to wait for licensing and permits to come all the way from Ottawa to deal with water issues in the Northwest Territories is a pretty ridiculous state of affairs. Certainly with the major advances that there have been in terms of the structure of democratically, locally controlled and elected government in the Northwest Territories now led by the hon. Nellie Cournoyea, it is an entirely appropriate time for this kind of delegation of authority.

• (1050)

As I warned last night, the governments of the Northwest Territories, and consequentially with Bill C–52 the Government of the Yukon, should be very alert to obtaining the necessary federal funds to continue to conduct the kinds of nationally significant programs that there need to be in relation to water. As I pointed out, there are major water systems flowing from the provinces into the Yukon and, in this case, into the Northwest Territories. River systems that have been dammed, diverted, contaminated, polluted, sedimented and so on in other jurisdictions come into the Northwest Territories and are going to have an impact on their capacity to administer this legislation.

It is a similar situation with the growing understanding of the movement of airborne toxins through aerosols. In many jurisdictions in Europe, in what was formerly the Soviet Union, and in continental North America, through the process in some situations of incineration, the placement of materials that historically would have gone to a landfill site or to some kind of recycling process are in many cases now being run through an incineration process. They go into the atmosphere. They are moving up through the atmosphere and back down into the water systems of the Northwest Territories.

As I said last night, we are suddenly starting to realize the magnitude of the toxification and the pollution problems affecting the Northwest Territories which is, as we all know, the largest single jurisdiction in Canada and soon perhaps to become two provinces along with the Yukon. So there would be three provinces north of 60 ultimately dealing with these major and significant water issues.

I just flag this for the government members of the Northwest Territories, that members of this House generally agree the delegation as proposed in Bills C–51 and C–52 is a good idea is long overdue and this matter should go to a legislative committee for constructive evaluation to hear witnesses from the Northwest Territories.

Members should be very careful in evaluating the amount of expenditure going on presently at the federal level to deal with this particular jurisdiction and the kinds of international and national responses that are going to be needed to be to evaluate not only the waters that are flowing from other jurisdictions into the Northwest Territories and the impact that will have on their licensing and utilization regimes, but also on the fish, birds and wildlife, the impacts that any modifications to these water systems will have, the implications of international phenomenons such as airborne toxins, not the least of which continues to be airborne acidification, SOx and NOx that come down as acid precipitation and the bio–accumulation and bio–magnification of these toxins up into the life cycles that come to affect particularly the more rural aboriginal and First Nation communities in the Northwest Territories.

There will be a need for a cumulative impact study of the effect, not just of methane releases from large dam reservoir projects, but the importance of the impact evaluation of the reduction at certain times of year of flows of fresh water from the Northwest Territories and from the bounding jurisdictions of Manitoba, Ontario and Quebec on the whole watershed of Hudson Bay and James Bay. Already there is growing scientific evidence that the reduction of freshwater flow into Hudson Bay and James Bay is having a potentially negative and deleterious effect on the Quebec fishery, the Newfoundland fishery and the maritime fisheries.

This is a great opportunity for a small, growing government and administration in the Northwest Territories to take on a jurisdictional task that is truly theirs. They must assure themselves that they acquire the appropriate fiscal instrument from the Parliament of Canada to properly do so.

The Acting Speaker (Mr. DeBlois): I remind hon. members that the length of speeches is now 20 minutes maximum, with a question and comment period.

[*Translation*]

I may remind hon. members of the Standing Orders. Since the minister presented the motion, even if he did not speak, according to the Standing Orders his speaking time is deemed to have expired. Consequently, the Chair must then recognize a spokesperson for one of the three parties. That is why I am recognizing a spokesperson for the opposition. Subsequently, I will recognize a government member but I repeat, this is a technicality. The government side had a chance to speak yesterday when presenting the bill but did not take advantage of this opportunity. I will now conclude the first round by recognizing a member for the opposition.

[*English*]

Mr. Milliken: Mr. Speaker, on a point of order. I would hate to allow this to be a precedent. I realize the argument could be made that the government by moving the motion has thereby been deemed to have spoken.

The rule is quite clear. I believe it is Standing Order 76 which states that the first two speakers are to be allowed 40 minutes each. I am not suggesting that the hon. member for Labrador is going to go on for anything more than possibly 10 minutes. He is a very concise and erudite speaker and he will not need 40 minutes to express his views on this bill.

On some future bill that is perhaps more contentious, I think there is an argument to be made that 40 minutes is an appropriate length of time.

I would like to reserve the point to argue this at another time. I do not think it is appropriate today because I do not want to make a mountain out of a molehill but I am concerned that the right to speak for 40 minutes is an important one. The rule is quite clear, I suggest, for the first two speakers.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair was of course careful to check this technical aspect. The first speaker was for the government and is deemed to have spoken, even if he did not actually do so. The government presented a motion to table this bill. So that was the first speaker, and his 40 minutes speaking time has expired, although technically, the 40 minutes were really only 15 seconds.

In any case, I can reconsider and check again with the staff of the House regarding the opinion expressed by the hon. member for Kingston and the Islands, who is an expert on the Standing Orders of the House. However, this is the information I have so far. Consequently, I am prepared to recognize, for not more than 20 minutes, the hon. member for Labrador, even if it means checking again.

[*English*]

Mr. Murphy: Mr. Speaker, on the same point of order. As the member for Skeena just pointed out it was a rather unusual procedure that happened last night as a result of rushing into this bill and it created a few problems for the House.

Speaking on behalf of our caucus, we would certainly be willing to give unanimous consent to allow the member 40 minutes if he needs that time.

The Acting Speaker (Mr. DeBlois): I am the servant of the House. Is there unanimous consent to give 40 minutes to the next speaker? I have no objection.

Some hon. members: Agreed.

Some hon. members: No.

Hon. William Rompkey (Labrador): Mr. Speaker, I assure you and my colleagues that I will be able to confine myself to 20 minutes.

I am pleased to have the opportunity today to speak in this second reading debate on Bill C-51, the Northwest Territories Waters Act and Bill C-52, the Yukon Waters Act.

I am pleased to indicate on behalf of my party our support in principle for these bills. These bills replace the Northern Inland Waters Act which was passed by this House in 1970 and came into force in 1972. They modernize and update the water management regimes in northern Canada.

• (1100)

The Northern Inland Waters Act was developed to protect and conserve the water resources of Yukon and the Northwest Territories. At the time the bill was introduced it seemed as if the north would be undergoing some major resource development. The bill's objective was to prevent environmental damage from development.

I will quote from the second reading speech of the Minister of Indian Affairs and Northern Development at that time, whom I am sure the House will recognize. He said:

> Major industrial development is about to get under way north of 60. By acting now, this region can be spared the disasters of environmental mismanagement that now plague other parts of Canada.
>
> By acting with determination and decisiveness today, we may ensure that 20 or 30 years from now we will not be faced with settling another tremendous debt as the price of indifference and mismanagement of the water resources of the north.

That minister is now the Leader of the Official Opposition.

The Northern Inland Waters Act aimed to achieve a comprehensive and co-ordinated water management regime in the northern territories. It vested the property and the right to the use of surface and ground waters in the Crown. It provided that the right to the use of waters or the right to deposit waste would be granted through the issuance of a licence or through regulations pursuant to the act.

It established quasi-judicial water boards, one in Yukon and one in the Northwest Territories, to issue the licences with the approval of the Minister of Indian Affairs and Northern Development.

Until now there have been no changes to the act except for some amendments in 1978 when the Northern Pipeline Act was passed. Despite the worth-while goals of the legislation, problems have been experienced in practice. Shortly after the act was proclaimed the water boards were overwhelmed with applications they could not handle. Consequently the Department of Indian and Northern Affairs used a provision of the act permitting the authorization of specified minor water uses by regulation.

Authority was provided through the regulations for a controller of water rights in each territory to approve all minor water uses which met the specified non-licensing criteria. The result was that over 90 per cent of water applications were approved by the controllers.

In 1981 the Dene nation and the Métis Association of the Northwest Territories filed a claim with the Federal Court. They challenged the legality of the department's non-licensing practice because of the lack of public input. The Federal Court ruled in 1984 that the practice was *ultra vires* the act.

The department then amended the regulations to exempt certain water users from any approval process. This situation was equally unsatisfactory. The 1985 report of the federal water policy inquiry recommended several changes to the current system. The report said that the arrangement for authorizing minor water uses in Yukon and Northwest Territories should be revised and clarified in consultation with the territorial water boards and other interested parties.

New procedures needed to be established to ensure that all uses of water would be authorized in some way. The complexity of the procedure for processing applications for minor water uses would be commensurate with their importance. Those water uses that may be exempted from the full licensing procedure would be clearly identified in regulations. The water boards would have the power to require a full licensing procedure when they believed it was appropriate. Finally procedures for approving minor as well as major uses would be open to the public and responsive to its concerns.

In 1986 water management concerns in Yukon led to the establishment by the department of a task force on placer mining. Its final report also made recommendations to amend the Northern Inland Waters Act. It recommended that the Northern Inland Waters Act be separated to create two separate acts, one for Yukon and one for the Northwest Territories, and that the regulations also be separated for each territory. It also recommended the establishment of a two-licence concept, class A and class B licences. As well it recommended stop work orders in situations where non-compliance licence conditions pose serious and imminent dangers.

A consultation process was initiated by the department in response to the growing number of calls for changes to the act. The department produced a discussion paper in May 1987. In October 1990 the Yukon Mining Advisory Committee was established. Its report to the minister was submitted in April 1991. All its recommendations except one have apparently been included in the proposed legislation before us which was tabled in the House last December.

It is important and relevant at this time to point out that the Auditor General's 1990 report was extremely critical of the management of the Department of Indian and Northern Affairs and particularly its water management. The Auditor General noted, for example, that although the department does have some information on water quantity, it has very little information on water quality.

The Auditor General also indicated that the department does not carry out water licence inspection and enforcement vigorously and that several significant wa-

ter contaminations persist in the north. The Auditor General found that:

(1) The department had not documented water resource management objectives in terms of conservation and development priorities for water management.

(2) The department needs more data to manage water resources.

(3) Knowledge regarding airborne pollution is insufficient.

(4) The department needs to know if water boards are meeting their statutory objectives.

(5) Enforcement responsibilities are not adequately fulfilled.

(6) The department needs to more thoroughly screen projects for potential damage to the environment.

(7) The department has not adequately responded to the recommendations arising from the 1981 Mackenzie River basin study.

The bills we have before us today are meant to address at least some of the concerns expressed by the Auditor General in his 1990 report. We will be examining very closely how these bills respond to the Auditor General's concerns.

On this side of the House we want to acknowledge the consultation process that is being carried out with respect to these bills. Several years of discussion have taken place and the result is an improvement over the existing system.

That is not to say that everyone is totally happy with these bills. While there is a general support in principle, there are some concerns of which we have been made aware that we hope will get further review and discussion in the committee process. These bills essentially split the existing Northern Inland Waters Act into two acts: the Northwest Territories Waters Act and the Yukon Waters Act. I will briefly enumerate some of the bill's provisions. A two-tiered licensing system is established. Minor and major water uses will be dealt with differently. The purpose is to create a more expedient licensing system for minor and non-controversial water use licences.

The criteria to be used in determining whether an application constitutes a major or minor water use application will be set out in regulations. Mandatory public hearings for minor licences are waived, but water boards will have the power to require one if the public interest so warrants.

The Minister of Indian Affairs and Northern Development will have the ability to issue binding policy directions to the water boards. Water boards will have to issue reasons for decision. Domestic and instream water users are recognized in these bills. Water licences will be able to address closures and abandonments of works. Licence conditions will be able to include legally enforceable site specific effluent quality requirements. Compensation and security provisions are sanctioned.

These and other provisions we want to study carefully in committee. The issue of northern water resource management is important and complex.

About 30 per cent of Canada's fresh water is located in the north. A variety of federal departments has water responsibilities in the north including the Department of Fisheries and Oceans and Environment Canada, but the Department of Indian and Northern Affairs has the legislative responsibility for co-ordinating all government activities in the north. The territorial governments also have major responsibilities and aboriginal people in the territories have significant rights and interests in these waters.

• (1110)

Water is a part of proposed land claims agreements both in Yukon and in the Northwest Territories. I note in this regard that the minister has said that future comprehensive claims settlement legislation may set out aboriginal rights and management roles concerning water resources. Where there is any inconsistency between the acts before us today and future claim settlement legislation, the claim settlement legislation is to prevail.

In conclusion, we look forward to discussing these issues further in committee. We want to ensure the legislation reflects the concerns and interests of the residents of the territories and enhances their ability to have more control over the use of water in their regions.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I appreciate the opportunity to address the House on Bill C-51 and Bill C-52 which are two pieces of legislation that amend the Northern Inland Waters Act.

I listened with care last night to the words of my hon. friend from Skeena, and I must say that it was a lesson for all of us as to how one can synthesize a career full of knowledge on related subjects and somehow annex them to another project before us. I was somewhat amazed and somewhat impressed.

I listened with care to the comments of my hon. friend from Labrador who has shown, as always, careful application of his intellect and his wit to any given subject. I congratulate him on his speech.

The north is known for its resources and no resource is more important than water. In 1970 Parliament acknowledged the value of the water resource by passing the Northern Inland Waters Act. This legislation authorizes the Crown to regulate the planning and use of water resources in Yukon and the Northwest Territories. Parliament at that time created the Northwest Territories and Yukon Water Boards which issue water use licences with the approval of the Minister of Indian Affairs and Northern Development.

Two decades have passed since the Northern Inland Waters Act came into force. Circumstances have changed but the legislation has not. The original act met the needs of the time, but a number of weaknesses and inconsistencies have been identified in recent years. It is therefore incumbent upon the House and a commitment of the government to bring the legislation into the 1990s.

Toward that end the Minister of Indian Affairs and Northern Development introduced two separate bills that will replace and update the Northern Inland Waters Act. Bill C-52, the Yukon Waters Act, repeals the existing legislation and replaces it with a system of water resources management that reflects the realities and needs of today. Bill C-51, the Northwest Territories Waters Act, establishes the same arrangements in the Northwest Territories.

There are a number of practical reasons for splitting the current legislation into two separate bills. First, this step acknowledges that the Northwest Territories and Yukon are two separate and distinct territories. It recognizes that each territory has its own particular water issues and geographic characteristics as well as different needs, priorities and economies.

Splitting the act will allow water management systems to evolve differently in each territory. In the longer term it will also facilitate the eventual devolution of responsibility for water management to the territorial governments, should this be desired.

Having said that, I want to make it clear that the two bills before the House today are based on the existing Northern Inland Waters Act and in fact maintain many of the same provisions. They both contain essentially the same amendments, and I will be addressing them as a single entity. The only significant difference between the two bills is that the Yukon Act repeals the existing legislation. This step is necessary in order for the new legislation to be enacted.

A number of problems have been identified regarding the Northern Inland Waters Act. Concerns about the legal certainty of the licensing process, the accountability of the minister and the rights of domestic and traditional users have been expressed by many stakeholders.

Our objective with the new acts is to correct these inadequacies. We are not establishing a completely new system for water management north of 60, rather we are building on existing structures and processes in order to strengthen and clarify the system. The amendments we are proposing will help streamline water use licensing, which in turn will contribute to economic development and job creation in the north. The amendments will also respect the overriding need to protect the environment, human life and health.

It is important to recognize that these proposals are generally supported by all interested groups in the north, including environmentalists, aboriginal people, the territorial governments and industry. In fact, the legislation before us today is the product of lengthy and exhaustive consultations with the many groups concerned with northern water management.

In particular, I would like to draw members' attention to the role played by the Yukon Mining Advisory Committee to which my friend from Labrador has already referred. The Minister of Indian Affairs and Northern Development established this committee in October 1990 to review the proposed changes to the Northern Inland Waters Act as well as changes to the lands legislation affecting mining. The detailed examination it performed is a fine example of the government's

commitment to consult on important issues such as this. On behalf of the minister, I am pleased to say that the committee has done an excellent and thorough job. It conducted an extensive review of the proposed changes and provided important feedback that has enabled us to improve and strengthen the legislation.

The advisory committee has representation from all major stakeholders in the Yukon, including non-mining groups. Despite its name, the committee's representation includes aboriginal people, the territorial government, environmentalists, the mining industry and of course the Department of Indian Affairs and Northern Development. I congratulate Mr. W. A. Dunbar, the chair of the committee and all those who participated in the committee's work.

Bills C-51 and C-52 strike an excellent balance between addressing the needs of industry, aboriginal groups and the federal and territorial governments. The balance comes about as a result of consultations with the Yukon Mining Advisory Committee and other concerned parties in the Northwest Territories. The results of this process are an excellent example of what can be achieved through consultation.

We are proposing a number of changes that will modernize and expand legislative controls for managing freshwater resources in the territories. These amendments have three principal objectives: first, to streamline the licensing process; second, to provide greater protection to all persons who may be adversely affected by a water use; and third, to ensure that licence holders comply with terms and conditions through strengthened enforcement measures.

To streamline the water licensing process, we propose establishing a two-tiered licensing system for major and minor water users. For major users the existing water board licensing system will remain in place, including the requirement for public hearings and licence approval by the minister. As well, public hearings which are currently mandatory will be waived when the amendments do not affect the use, flow or quality of waters or the term of the licence.

However, a new speedier process will be established for licensing minor non-controversial uses of water. The territorial water boards will have the authority to issue minor licences without the approval of the Minister of Indian Affairs and Northern Development. Public hearings will not generally be required but the water boards will have the authority to hold hearings if this would be in the public interest.

The water boards will advertise all applications for licences. As well, the amendments will require the water boards to give reasons for their decisions to grant or reject a proposed new water use. If a licensee will be significantly affected by the new water use, the water boards will not be able to issue the second licence unless both parties agree.

The streamlined mechanisms seek to address the regulatory and administrative burden on minor licence applicants. In so doing, we are simplifying the assessment process while ensuring the opportunity for full review when necessary.

The new legislation will also give the Minister of Indian Affairs and Northern Development explicit authority to issue policy directions to the water boards. This amendment is not intended to give the minister new authority or to limit the independence of the boards. Rather, it will simply clarify the minister's existing accountability which is vague in the current legislation.

• (1120)

The new bills will also give the minister the authority to delegate his responsibilities in relation to the water boards to the appropriate territorial minister. Although there are currently no plans to do so, this new provision will allow delegation at an appropriate time in the future. This would be an interim step prior to devolution of water management to the territorial governments.

Another major improvement over the existing legislation is the proposal to make domestic and instream water users eligible for compensation should their interests be affected by a licensed operation. As a word of explanation, an instream user is someone who uses water to earn income or for subsistence, but who does not actually take water or alter the water's flow. For example, aboriginal people who depend on fishing for income or food would be considered instream users.

Although domestic and instream users are not eligible for licences, under the proposed amendments, the water boards will consider their interests when licence conditions are being developed. This is an important measure because the status of domestic and instream users is unclear in the existing legislation. This is a reasonable and effective means of recognizing the interests of all water users.

I am especially pleased to inform the House that these new acts will allow the federal government and the territorial water boards to take a much stronger stance on environmental issues than in the past. For example, they provide explicit authority for the water boards to address closure and abandonment of licensed operations. As well, the inspection and enforcement provisions of the legislation have been strengthened. Inspectors will be able to enforce licence conditions by issuing stop work and clean-up orders where there is danger to persons or to the environment. All licence conditions will be enforceable.

Under the proposed amendments, the list of potential offences has also been broadened. For example, these bills will make it an offence to violate any licence conditions or to fail to report a deposit of waste and penalties have been expanded and modernized. The new bills increase the maximum fines for major licensees from $5,000 to $100,000 and for minor users the increase will be from $5,000 to $15,000. The bills also introduce the possibility of jail terms.

Finally, in relation to the environment, Bills C-51 and C-52 confirm that the territorial water boards can set water quality conditions that are more stringent than those set out even under the Fisheries Act.

Hon. members should also be aware that the new legislation provides for compensation to be paid to anyone who suffers losses as a result of a water use. As I mentioned earlier, this provision includes domestic and instream users.

The provisions of the legislation relating to security deposits have also been strengthened and clarified. Under the proposed amendments, such deposits may be used to guarantee compliance with licence conditions, to remedy violations or to pay court ordered compensation.

The remaining amendments contained in Bills C-51 and C-52 are minor and essentially administrative in nature.

I want to reiterate that these proposals are for the most part supported by all key stakeholders in the north. They were developed after extensive consultations. The Minister of Indian Affairs and Northern Development has taken special care to ensure that the Yukon Waters Act and the Northwest Territories Waters Act respect the interests of northern natives. In this regard, we are particularly pleased with the environmental stewardship components of the legislation. The amendments that clarify instream uses of water and compensation for damages are also extremely important to aboriginal people.

It has been suggested that changes to the administration system for water management should be postponed until the major land claims in the north are resolved. We cannot agree with that approach. Changes to the Northern Inland Waters Act are long overdue and have been in the works for a number of years. The amendments we are proposing will result in improved legislation for water management regimes that are established under claims settlements. Where there are inconsistencies between future claims settlement agreements and this water management legislation, the claims settlement legislation will take precedence.

In closing, I would like to remind members that these amendments are fully in keeping with the government's policy on northern political development. They provide for decision-making to be moved closer to the people and they will facilitate the eventual transfer of legislative responsibility for water management to the territorial governments.

As well, the amendments address our commitment under the Arctic environmental strategy, the green plan, and will enhance our ability to protect the northern environment.

Finally, by streamlining administrative arrangements we will encourage sustainable, environmentally responsible economic development. This will translate into jobs for northerners and increased economic prosperity for all of Canada.

In short, this is an excellent example of a situation where everyone wins. I urge hon. members to join with the many other Canadians who support these legislative amendments.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my remarks will be brief on this bill. As you know, our community has had a very active campaign going to bring to people's attention the importance of the management of our water resources in this country. I too would like to support the government in bringing this legislation up to date.

As the member for Calgary Southwest said earlier in his remarks, there are people out there who believe that maybe this legislation should wait until some of the land claims, et cetera are settled. I tend to share his view that when it comes to this issue, time is of the essence.

I believe it goes well beyond the land claims issue. I believe that right now if there is one issue in this country that can still galvanize us as a nation, it is the issue of the water resource management. It is very important that the national government take a lead role in making sure our legislation is right up to speed.

As time evolves here, if the position of the national government in terms of water resource management is not crystal clear, we are going to get into all kinds of jurisdictional disputes. I see this bill as being very important in sending out a strong signal that even though we respect the territorial management of these water resource management bills, at the same time we should never forget that the national government is ultimately the body responsible for managing the environment in this country.

It seems that in the last few days we are getting conflicting signals, that different provinces are suggesting for example that Bill C–13 is somehow an infringement on provincial responsibility and authority.

We should set the record straight right now. If we cannot have national environmental standards, and if we have a situation where the national government is subservient in an environmental act to a provincial standard, then what kind of a joke are we going to be to the rest of the world. If there is one thing that we all agree on today, it is the fact that we must do what we have to do to save the planet. The last thing that we need is a situation where coming from Canada we have seven different voices and seven different standards as to how the environmental standards of this country should be set, or managed, or administered.

• (1130)

When it comes to this particular issue, I believe it is the one issue on which Canadians want us to speak with one voice. We have been talking a lot for the last few months about referendums. We wanted to have referendums on the Constitution, we wanted to have referendums on different aspects of our economy. If there is one area on which we should consider a national referendum it should be the environment.

If we had a national referendum in this country as to what body of government should ultimately be responsible for setting national standards, I would venture to say that 90 per cent of Canadians would say the national government should be the ultimate spokesman in this area.

I want to commend the government for putting these bills on the agenda, moving them through so quickly and making sure there is a clear–cut signal sent that our environmental house will be in order in the not too distant future. As I said earlier, it is the one issue on which all Canadians will get behind us in this House if we say that we are ultimately going to set national standards.

Mr. Alex Kindy (Calgary Northeast): I would like to make a comment and maybe ask a question of the hon. member.

This act respecting water resources in the Northwest Territories is certainly an act that would be acceptable. What bothers me is that we do not talk about the water resources in Canada and the implications to the North American continent.

The Americans have been interested in Canada's water for a long, long time. I remember seeing a program on American television in which Californians were talking about their problems with water. They said the problem is going to be solved once they get the water from Canada, from the Northwest Territories and other rivers.

We had a free trade agreement and if I remember correctly, the government said that water was not included in this agreement. Now the government is negotiating what it calls NAFTA, the North American free trade agreement. We, as members of Parliament, have not been consulted. Other members in the House have asked questions of the government. They wanted information because they say the Mexicans know how the negotiations are progressing. The American Congress is involved but Canadian parliamentarians are not. We are being set aside and in one moment, maybe next week, the government is going to present an agreement and ask us to support the North American free trade agreement which might sell our water to the Americans.

I remember a former member in this House, Mr. Desmarais, the brother of the famous Mr. Desmarais, was heading a company that was supposed to sell water from Canada to the United States. I, as a member of Parliament, have problems with a bill that comes in, looks nice, but is one of which we do not know the implications. The government does not answer the fundamental questions such as how we are going to deal with our water resources in the new North American free trade agreement.

I am asking the hon. member whether he could elaborate on this point.

Mr. Mills: Mr. Speaker, I thank my colleague because he is so right when he identifies the fact that some of the best lawyers in this nation have stated categorically that there is potential, under the free trade agreement, for water to be sold to the Americans.

We have asked the government many times to request a one-page special protocol agreement from the United States saying that water is not part of the free trade agreement. I have even written Clayton Yeutter myself asking him for a clear-cut position on whether he believes water is part of the free trade agreement and he has never answered me. I have written him several times.

I am concerned about the water and free trade agreement connection. I think it is one part of the hidden agenda of the Americans in the free trade agreement.

I want to address the point about the Grand Canal, the great recycling and northern development project. In chapter 9 of Premier Bourassa's book *Power from the North*, he describes that project in detail.

I had a town hall meeting in my riding with the gentleman, Mr. Thomas Kierans, who conceived the idea of recycling the lower end waters of James Bay and channelling them down through into the Great Lakes and ultimately through Lake Michigan into the United States. It was a hotly contested debate.

The point is that there is a lot of concern and most important is the environmental concern.

We will pass in this House today Bill C-13. With it, anything and everything related to the environment in this country will have to go through this process. Make no mistake about it. In a newspaper article I saw that the provincial premier of the environment for the province of Quebec thought this was some kind of a totalitarian bill. That language was a bit aggressive. Make no mistake about it, and he should not make any mistake about it, the provincial environmental system will be subservient to the national government's environmental procedures after Bill C-13 is passed today.

That is something that the people of Canada will welcome.

Mr. Kindy: Mr. Speaker, I appreciated the details on the Grand Canal. I would like the hon. member to answer and give his opinion because he wrote to the negotiators on the free trade agreement on whether the water was included. I understand that he did not get a straight answer.

What is his personal feeling? Is water included in the free trade agreement? In the new free trade agreement with Mexico and the United States will it be included? It is a hypothetical question but he could probably answer it.

Mr. Mills: Obviously I cannot deal with a hypothetical question in terms of Mexico. We do not know what is going to be included.

In terms of the free trade agreement with the United States, the answer is categorically yes. Water is a part of the free trade agreement.

I am not an expert on water law, but I have gone to lawyers who are experts and they have verified that.

• (1140)

I believe that water is the secret part of the agenda as to why the Americans really want it. I sincerely believe this, I say to my friend from Calgary. By the way, if you do not believe that, then the government should get a one-page special protocol letter from the United States government saying water is not a part of the free trade agreement. Remember that Clayton Yeutter, who was the chief negotiator of the free trade agreement, did his PhD thesis in North American water management. His whole thought process his whole life has been on North American water management.

We possess enough water in Canada to look after the entire world. I am not against sharing our water with the United States, but I do not think we should just be giving it to them. This is a separate debate and a separate discussion. In the future, rather than have people die of thirst, our friendly neighbours to the south, it may be that we can use water as a way of trading for bringing jobs back here. I am not paranoid about trading water with the United States, but we should get something in return, whereas right now we have given it away.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I rise to put a few words on the record about the bill that we are debating now, Bill C-51, the act respecting water resources in the Northwest Territories.

I would like to make two general comments. The first is to share the concerns of the member for Broadview—Greenwood about water exports.

In British Columbia there are a number of water export plans and in particular a plan known for sometime now as NAWPA, the North American Water and Power Alliance. It is almost science fiction, the whole question about the flooding of the Rocky Mountain trench. It would flood part of my riding.

I want to rise and share the concerns of the member because it is one of those things mulling around in somebody's mind down in the United States and if we are not cautious I fear that our government may be ambushed, if you like, or certainly will allow itself to go down the wrong route and we could be very seriously hurt on this issue. It is certainly important to flag this issue for the government and for the Canadian public.

There is also a project very much in the news just north of Kamloops that my colleague, the member for Kamloops, has been raising in this House on a regular basis. Water seems to have an essence to it that people get very concerned about. We are concerned about our forests and our fish, but water is a very emotional issue and we want to ensure that our government is aware of that.

My second point relates to the Northwest Territories. We are now debating a bill that in essence is a positive approach in terms of the development of local authority and giving, in this case, the emerging government of the Northwest Territories more responsibility for administering local affairs, in this case water. We support that.

I would like to add a bit of a British Columbia perspective and a suggestion to the government. Water does not reflect the artificial boundaries that we draw on maps. I am thinking here specifically of the Peace River, which flows from British Columbia, north of my riding, through Alberta and up into the Northwest Territories. There are reports that we are now starting to see the very negative impacts of what is called the WAC Bennett Dam, let alone the environmental effects of the creation of Williston Lake and the large body of water that has been created there.

Some are suggesting, particularly in the Dawson Creek, Fort St. John and Mackenzie areas, that there will be quite a change in the weather by the creation of this large body of water and the downstream effects in the Peace River now being affected by the WAC Bennett Dam and its impact there and its eventual impact in the Northwest Territories.

My plea and advice to the government and to the committee when it considers this bill is obviously to hear witnesses. This is a good example of a piece of legislation where bringing witnesses to the committee would provide all members with an excellent opportunity to hear the technical arguments of how important this legislation is.

I would urge that not only officials from the Northwest Territories but also people from Alberta are seeing the impact of this as well as those from British Columbia. As you know, the former government in B.C. had this mindset about Site C, another dam on the Peace and I do not think any consideration was given to what the downstream effects would be.

I would urge the committee when it is reviewing this bill to also call witnesses from the Government of British Columbia, who have done some studies and have reason to be concerned about what authorities may do in our province and the impact it is going to have in Alberta and when this bill comes into place in the Northwest Territories.

I would hope that the government would hear these comments when the bill is before committee and that it would consider bringing these witnesses in. This would be an excellent opportunity to hear these concerns because, of course, as I said at the beginning of my comments the very concern that all of us have about our water is that it flows cleanly and wherever possible without restriction. When we do have some of these

projects, we must make sure that they undergo the strictest assessment possible.

Of course, the whole question of the Kemano project on the Nechako River comes immediately to mind and how this government has done everything it can to thwart the rules of the land when it relates to that particular project. To the committee, I say: Please hear some witnesses on that. Hearing from those witnesses would really add to some of the debate on the bill. They may have some excellent advice to give all members of this House.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the member's remarks carefully. I too, share many of his concerns and also his constructive amendments to this bill. I want to ask him something philosophical.

I have always believed that the environment is the one area where, if we had a national standard, that would allow us to develop a national will which would assist in this process of galvanization that we need so badly in this country right now when things are so fragile.

It seems to me that when we are putting so many different environmental bills through the House of Commons right now that we are getting reaction from different legislatures. We are getting different types of reaction. Some are supportive of our Bill C-13; others are not as supportive.

This is one area where the general public does not need a mixed signal. I believe the general public wants a clear understanding that it is the national government which really sets the standard and leads the way when it comes to the environmental standards in this country.

My question to the member is this: What does he think of the idea of having a national referendum on the environment? I am not the expert on referendums here. Of course, the expert is the member for Etobicoke—Lakeshore whom I do not think we utilize as much as we should in this House with his expertise and all the work he has done. So I do not know how it would be structured.

• (1150)

The idea behind this referendum would be to hear from Canadians whether or not they want their municipality to speak on the environment, their province to speak on the environment or if they want Canada to be the ultimate voice of direction and authority when it comes to this issue.

I was wondering if the member could give me some remarks on that.

Mr. Gardiner: Mr. Speaker, I appreciate the comments by the member for Broadview—Greenwood. First I have a couple of comments and then I would be pleased to address his question.

My experience and view from the little travelling I have done across the country is that in their own way I think the member is right that Canadians do look to Ottawa and to the national government as the last stop gap in terms of degradation of our environment. Even regardless of party and office, there is a sense among Canadians that maybe Ottawa is the last bulwark of attempting to solve some of these problems.

If we think of political science courses, the argument from some instructors is that we will vote one way provincially and another way federally basically to try to balance the different levels of government. Maybe it is part of that. It is my sense that that is what Canadians feel.

I would strongly endorse the view on national standards. I think we have been relatively lucky in Canada so far and that we have not had a situation where one province plays off the other by saying: "You're a big polluting company, come to our province and we won't tax you or we will build all the roads for you". I do not get the sense that we have done that quite as much as say, in the southern United States where a great deal of that is heard of.

Certainly, in Canada there is the unfortunate part where we have done it in terms of labour legislation. I think of the Michelin bill in Nova Scotia, negative and bad labour legislation so that companies think they can then have a free hand in that area.

That is not to say that there have not been problems in the environment as well. I think of the former government in British Columbia and the then minister's appearance before the committee here where he was expressing some concerns about this bill. Actually, the environment minister from Alberta comes to mind as being particularly backward in his thinking, as I recall, on this legislation.

The member asks about a national referendum on the environment and he makes reference to the work of the member for Etobicoke—Lakeshore. I spoke on that member's private member's bill on referenda. I said that I was not particularly opposed to the idea. My comments that night were to express some caution, that we do not want to use referenda to beat up on anybody, to beat up on Quebec, Don Getty, or our First Nations people. That is not what I would see as the role of a referendum.

I would say this, if my comments are right on the mark about how Canadians feel about the national government needing some direction and support from Canadians about national standards, my sense is that on a referendum question that we would likely get support of most Canadians.

In fact, the comments that the member for Skeena made last night when debating Bill C-13 about some of the positions that members from Quebec were taking, that Quebec will still be there, the fish will swim, the birds will fly and whatever boundaries we talk about or whatever governments and institutions we set up will not mean anything.

If anything, we need to buttress national standards of the federal government. If a referendum somewhere down the road will help achieve that goal, then I do not have a particular personal problem with that.

Let us not just do something for the sake of doing it. We can achieve a lot more through community groups and by having governments that actually do something to protect the environment.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I would like to comment on national referenda as far as water is concerned. As you know, I had two bills, one in this House and one in the previous House on national referenda.

I am a firm believer that we should consult people on major issues. It is essential that people have input. I am in favour of a referendum and I think it would unite the country.

As well, I would like to mention that the PC caucus in 1988 before the election had a water policy and I would like to quote from that water policy. As we know, water is included in the free trade agreement. But what does the water policy say? I quote: "The PC government's new federal water policy specifically prohibits the export of Canadian water by interbasin transfer—the diversion of lakes or rivers. At the same time the government's conviction that the free trade agreement does not in any way put Canada's water at risk of being traded to the United States is supported by trade and legal experts".

That is what was being said before the 1988 election. The quote continues: "Moreover, the trade legislation has been amended to explicitly rule out any large scale water transfers".

Mr. Edwards: Mr. Speaker, on a point of order. I have listened with care to what has been going on here with the questions and answers.

I think that the hon. member opposite, with all due respect, is endeavouring to drag in an issue that has absolutely no relevancy to this debate at all. What we are talking about is the Northwest Territories and Yukon Waters Acts amendments. It has nothing to do with this old canard of alleged water exports to the United States, which I thought the hon. member would have abandoned a long time ago and found something new to talk about.

Mr. Mills: Mr. Speaker, on the same point of order. I have to take exception to what the member said.

We are talking here about an act respecting water resources in the Northwest Territories. That has everything to do with some of the ideas that have been discussed broadly across North America about water diversions, interbasin transfers.

It is important that we make it crystal clear to Canadians that this bill we are debating will prohibit or prevent any province or any free trade agreement from ever getting involved with something like the Grand Canal.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The time for questions and comments has now expired. I simply would like to add that it is always difficult for the Chair to determine relevance, and I think that in this respect, both sides of the House made their point.

Before resuming debate, since the hon. member for Kingston and the Islands seems to have some reservations about the ruling I gave earlier today that the hon. member for Labrador was the third speaker and was therefore entitled to not more than 20 minutes, I just want to mention one of the sources on which I based my ruling. I am referring to the *Précis of Procedure* of the

House of Commons, *Fourth Edition*, which says that the Speaker may subsequently recognize the mover if the latter so desires, and otherwise any other member. However, the mover must speak first, if he wishes to speak, because by the very fact of presenting the motion, he is deemed to have spoken—this is important, he is deemed to have spoken—and the Chair will not be able to recognize him again later on. So even if last night the mover did not speak, according to the Standing Orders he is nevertheless deemed to have spoken because he presented the motion. Technically, the hon. member for Labrador became the third speaker. I just wanted to add this clarification to the ruling I gave this morning.

[*English*]

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, since I was interrupted I will take this occasion to continue my thought process on the water issue. Bill C-51 deals with water in the Northwest Territories. Water is one of the main resources of Canada and, as a nation, if we want to survive, we have to be careful what we do with it.

• (1200)

As members know, at the present time Canada has a resource-based economy. We have water and we have natural resources. I would like to quote from "Canada West Fact Finder". In 1990, Alberta exported $15.6 billion of goods. Of those goods, energy was 58 per cent; forest products, 4 per cent; agriculture, 16 per cent; and manufacturing only 6 per cent. The same thing applies to British Columbia where forestry was 56 per cent and the manufacturing sector only 6 per cent.

As members can see, all of our economy is based on resources. This is why the United States and Mexico are interested in having a free trade agreement with Canada. They want our resources. We have no manufacturing base, or very little. The one that exists is being destroyed in Ontario and Quebec. So water is one of the other elements that the United States and Mexico want.

The question is, are we going to have a bill, Bill C-51? Is it going to deal with the control of our water resources or not? I believe that the government has failed because it has sold out to North American business interests, especially in the United States with the signing of a free trade agreement that includes water as well. Even so, in their promises on water policy before the last election, the government was very explicit in stating that water was not included.

We are facing a dilemma as a nation. Do we want to be simply the suppliers of the raw materials for the world or do we want a nation that respects itself and develops a manufacturing base? I think this government has fooled not only me, because I did support the free trade agreement, and this is one of the votes that I do regret. The promises that were made to us were somewhat different than what the reality is.

I hope Bill C-51 goes to the legislative committee, where appropriate witnesses will be called and amendments will be put forward.

Mr. Speaker, this is the only thing I wanted to say as I was interrupted in my comments by another member here.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I did not intend to interrupt the hon. member. What I was seeking to do earlier on, as you so wisely observed, sir, was to get some pertinence to the debate. I value this opportunity to strive to bring us back to that.

The hon. member for Broadview—Greenwood was quite correct when he underlined the fact that this pair of bills, C-51 and C-52, have absolutely nothing to do with any alleged export of water to the United States. He was quite correct in pointing out that they do relate to water matters in the two territories.

But I would draw to the attention of the member for Calgary Northeast that the Canada-U.S. International Boundary Waters Treaty, which I think has stood for some 70 years now, forbids the diversion of water to the United States or to any other country. So the protection exists.

I am somewhat amazed that the hon. member, as a member from Alberta, rather than throwing up his hands and suggesting that we are being raped or we are about to be raped, would not work for value-added industries in our province. He should be working for diversification of our economy, rather than cry, as Chicken Little did, that the sky is falling in some way or another.

This gentleman campaigned for the free trade agreement and now he appears to have become an opponent of free trade. He has missed the Reform nomination and perhaps now he is seeking the New Democratic Party nomination. Mr. Speaker, I think that we have not had a constructive contribution to this debate; rather, we have had a red herring dragged across the floor of the House and it has no pertinence and is just appealing to some of the baser instincts of Canadians.

Mr. Kindy: Mr. Speaker, I would like to add that Alberta faces a crisis. Alberta has lost 70,000 jobs in the oil and gas industry since 1985. This is a fact. We hear about lay-offs every day in Alberta. The gas and oil industry is in big difficulty. This has happened under this administration. It is this administration, the Conservative government that came to power in 1984, that promised prosperity for Alberta.

At least we have a responsive, responsible provincial government that seems to try to help the people of Alberta but the members from Alberta certainly do not represent the interests of Alberta in this Parliament.

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I know the member for Calgary Northeast had no intention of misleading this House with his comments. Jobs have been lost in the oil and gas industry which is a market-wide industry now. It was this government that removed the National Energy Program. Regarding water, it was this government through the free trade agreement that ensured that water would not be on the table, with the exception of bottled water.

I feel very strongly that diversification throughout Alberta, and indeed many provinces, is extremely necessary. I wonder if the hon. member might like to inform the House just where he has been, and why he does not go back to his riding and find out exactly how the province of Alberta is diversifying.

Mr. Kindy: Mr. Speaker, I am looking at the statistics and I can see that Alberta has 4 per cent of manufacturing. I do not think it has changed in the last five years.

I have been trying to bring new industries into Alberta. But the fiscal policies of this government do not permit that. The fiscal policies, the transportation policies of this government have been a complete failure. It even cut the VIA trains, so that Canadians could not move from one province to another and see the beauty of this country. This is the government that sold out to the interests in the free trade agreement to the United States.

• (1210)

I am really sorry this is happening. I hope this government will have the courage to go to the people and call an election.

Mrs. Sparrow: Why don't you go back to your riding Kindy?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I just did not want this debate to continue with the impression left by the hon. member that things were that bad in Alberta. As my hon. colleague from Calgary Southwest noted, had the hon. member ever had the occasion to visit his own riding, he might be more encouraged and less pessimistic than he is.

We hear this gloom and doom consistently from the member for Calgary Northeast. I appreciate that if you stayed in Ottawa all your life or spent the rest of your time in eastern Europe, you might see gloom and doom. But come out to Calgary once in a while I say to the member for Calgary Northeast, and you will see a vibrant, booming economy, a diversified economy. I look in my own riding at the Foothills Industrial Park. I see innovative technology, work ethic, high-tech, new jobs created, not just in the oil and gas business, but a vibrant new economy with an open market in the United States for Calgary companies who are transporting goods to the United States into new markets. It is a booming, optimistic economy, the result of the free trade agreement.

Mr. Kindy: Mr. Speaker, I think the statistics are somewhat different. As I mentioned, 70,000 jobs have been lost in Alberta since 1984 in the oil and gas industry. That is reality.

I am a physician. I have a lot of friends in my riding who use to be my patients. They are losing their jobs. They are losing their houses because of the policies of this government. It introduced the goods and services tax that has put this country into a depression, not a recession. The Government of Alberta is fighting the goods and services tax in the courts. And what are those members from Alberta doing? They are not supporting their provincial government. They are supporting the centralists here in Ottawa.

I am really amazed at this attitude of some of the members from Alberta who do not work for the interests of Alberta. Once they come here, they drink water and they become stooges for the federal government.

The Acting Speaker (Mr. DeBlois): I remind the hon. member that Bill C-51 is on study now in the House.

Mrs. Sparrow: Mr. Speaker, on a point of privilege, I wonder if it would be possible for the House to ask you to review the "blues".

I do think I heard the member for Calgary Northeast make a statement which suggested that members of Parliament come down to Ottawa to drink, which is absolutely not true.

Mr. Rocheleau: To drink water.

Mrs. Sparrow: I would ask you to review the "blues". If that is what he said I think the member should be asked to withdraw those words.

Mr. Kindy: Mr. Speaker, I said they come to Ottawa and drink the water here. I did not mention any other substance, just water.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): 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 Legislative Committee B.

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FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed from Monday, March 9, consideration of the motion of Mr. Mazankowski that Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, be read the second time and referred to the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Churchill.

Mr. Murphy: Mr. Speaker, I am seeking clarification. It was my understanding that we were going to Bill C-52 at this point. I know what you have called, I would just—

An hon. member: It is on the Order Paper.

The Acting Speaker (Mr. DeBlois): I remind the hon. member that the projected order of business is subject to change without notice. It is the order of the day. I have no option than to take note of that bill.

Ms. Mary Clancy (Halifax): Mr. Speaker, it is with a certain amount of chagrin that I rise to speak on this bill because there have been so many occasions when I have spoken in this House on this very matter.

This bill is an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act.

Those are two areas that most particularly in my province of Nova Scotia we are having some difficulties with. I represent, as most members of this House know, the city of Halifax. Within the larger area of the city, my riding and the riding of Halifax West, we have five universities. These are respected and historic institutions of higher education and learning.

We have indeed in the city of Halifax the oldest university in the British Commonwealth outside the British Isles, that being the University of King's College.

We have the largest university in Atlantic Canada with professional schools famous world-wide, Dalhousie University. We have the only women's degree-granting institution in the British Commonwealth of Nations, Mount St. Vincent University. We also have the Nova Scotia College of Art and Design, the Atlantic School of Theology, and of course, St. Mary's University.

Every one of those institutions is suffering. Our universities across the country are suffering, but most particularly in the Atlantic region. We are suffering from the highest tuition fees in the country from the oldest physical plants and from the lowest salaries to our faculty and staff.

There is a great and historic tradition in the province of Nova Scotia with regard to higher education. Indeed, we say with pardonable pride in Nova Scotia that it is graduates of our institutions who have gone across this country to staff other universities.

I see my hon. colleague across the way from Calgary and the president of the University of Calgary, Murray Fraser, was my dean at Dalhousie Law School.

The University of Victoria Law School was founded by Dalhousie graduates. The University of British Columbia was founded by academicians from Nova Scotia.

• (1220)

We have our graduates in schools and institutions and hospitals and legislatures right across this country. So we have been providing a valued service to the people of Canada for a long time. We are very proud of this tradition. We are proud of our graduates. We are proud of our students.

But our students in Nova Scotia are taking a beating that they just cannot sustain much longer. Dalhousie University had to increase tuition fees this year by 10 per cent. A lot of us in this House have children who are in university or are getting to the age to be university students.

Ten per cent is a large amount of money, particularly in the midst of the worst recession that this country has seen since the depression of the 1930s, particularly when unemployment is soaring. It is soaring most highly in Atlantic Canada, particularly when it is impossible for students to earn enough money either in summer employment, part-time jobs or a combination of both, even along with student loans and bursaries, to keep themselves in university.

What are we doing by bills such as Bill C-60, which continue the cuts to post-secondary education? We are effectively saying that post-secondary education in this country is the purview of the wealthy. This is not a Canadian tradition. This indeed is anathema to the Canadian tradition of post-secondary education.

In the province of Nova Scotia, the children of fishermen, farmers, coal-miners and steelworkers went to university because successive Canadian governments ensured that a university education was accessible to everybody. It was not just accessible to the children of the wealthy classes.

Indeed, the Alma Mater of the Prime Minister of this country, St. Francis Xavier University in Antigonish has a tradition of educating those people from northern Nova Scotia, the vast majority of whom descend from the coal-miners, the steelworkers, the fishermen and farmers of Cape Breton Island.

How can we sit by and let this happen to our educational system? We hear and talk all the time about competitiveness. We talk about the globalization of our economy. We talk about the need for Canadians to be able to compete.

Is there one person in this Chamber who does not believe that we can produce competitive and well-educated people for our labour force? No, there is not. We have the potential to do it.

If we effectively shut off post-secondary education to those people who were not born with silver spoons in their mouths, then any idea that we may be competitive in a world market can just be thrown out the window.

Those universities with such great traditions, such great histories will soon be unable to function at anything close to what should be their capacity.

What is the reason for that? The reason is that this federal government has decided to shut down to a great degree the kind of funding that is necessary to keep those universities functioning. Along with the inability to function as institutes of education, we have a similar problem in the area of research and development. Where is research and development done in the main in Canada? In universities.

I look again at my own Alma Mater, Dalhousie University with its great medical school that has provided doctors for this country and internationally, as my colleague from Winnipeg would agree. The kind of research that Dalhousie University has become famous for has been cut back, cut back and cut back. What is the end result in that? It is twofold.

First of all, this country loses the opportunity to be home for the kinds of developments that Canada has become famous for. Second, our universities lose the kind of vibrant, creative talents who would have gone

there to teach and to do research, but because the money is drying up, where do they go? They go to the United States.

I can understand some people on the other side of the House who would say, yes, because in the United States the money comes from the private sector and from big business, et cetera. That is their tradition. It is also a country with a population of 250 million plus. We on the other hand are in a country of—I have not heard the latest census statistics—but we are somewhere in the area of 27 million.

It is just utterly unrealistic, not to say foolish, to think that we could possibly compete in the development of private donations to research and development, particularly within the university context in the same manner. It is not possible. We do not have the population base.

It therefore is incumbent upon the government to do the best it can to ensure that the standards of education, research, development and the physical plants where this is carried out at least maintain a level of acceptance.

Let me talk about those physical plants for a minute too. Last fall, I was invited to a meeting by the students of Dalhousie University on this very tuition hike that Bill C-60 is making necessary.

I walked into the student union building, two blocks from my house, and the lobby of the student union building was filled with concerned and frightened young people.

One young woman got up and told the assembled group that she was in a 100-level class as a freshman at Dalhousie University in a classroom that was built for 50 people. There were 150 students crowded into that room. It was a fire hazard and it continues to be a fire hazard. Because of the cutbacks epitomized by Bill C-60, our universities are being forced to educate our children in rooms that are unsafe. That is merely a small example of what is going on.

Surely we are not so blind in this Chamber as to see what we are doing to ourselves by refusing to grant the kind of money that universities need to succeed, that they need to make Canada or keep Canada on the competitive edge in this globalized economy.

Are we really that blind not to understand that if we are going to take our rightful place as competitors in world markets we can only do this with young people trained and educated and ready to take on the kinds of jobs that will be necessary to keep us there?

There is a second aspect to this bill and that is the health contributions aspect. This is something that we all have to be very careful and very serious about.

If there is a jewel in our social service network in this country that jewel is medicare. If there is something that truly makes this country different, more compassionate, more caring and indeed more of a desirable place to live for its citizens and more of an example in the international community, it is medicare.

Medicare has been with us for 27 years. It is something that all Canadians, everyone of us, no matter what your political stripe, take as a benefit of absolutely amazing proportions. There is not a person in this House who cannot tell a horror story of what happened to either a member of his or her own family or to someone they knew in the days before medicare.

I recall one evening shortly after I came to this Chamber having dinner with two of my colleagues from two other parts of the country. Each one of us had a family story in the pre-medicare days of how illness or accident had caused tremendous financial hardship because of the cost of medical services before Canada brought in medicare under the great Allan J. MacEachen of the other place.

We cannot allow for the erosion of medical services. I have just come back from a visit to Washington with the Sub-Committee on the Status of Women. I have listened to Americans in the field of health care talk about that system. We hear the figure that there are 36 million Americans not covered by some form of medical insurance. When we were in Washington last week, we learned that figure was incorrect. In fact, the number is closer to 96 million.

• (1230)

There are 96 million people who are either not covered or not covered enough for medical care in the United States, the land of the free and the home of the brave. I was really glad last week to realize that I lived in a country that would not allow that to happen.

This is a very precious gift we have and we must be very careful and jealously guard the existence and the continuation of our medicare system. There is no question that costs are escalating in the area of medicare and that we must be very careful to watch those costs.

I was a part of the health and welfare committee which did a very long study and made some recommendations to this House. I do not know where those recommendations are with regard to government policy. I see the minister across the way shrug his shoulders. I am sure he has read the report and is very familiar with the recommendations.

There were some good recommendations in there that related to the modernization in the realm of communication, which is an area I know the minister is very familiar with, and in the realms of the medical profession and the health care delivery systems. There were some good recommendations about prevention.

The hon. member from Calgary sat on that committee for part of the time with me and she agrees with a lot of those recommendations. We should not be looking at the question from a purely financial point of view. Every one of us knows that there is a problem with government spending. We have a deficit that we have to look after.

As a government we have to lead—when I say as a government I mean the whole House of Commons—in pressing the health care system in this country to come into the latter part of the 20th century. We have to talk about prevention. We have to talk about community clinics. We have to talk about making our population healthier, thus costing us less money in the long run.

We should not be putting the cart before the horse and talking about things like user pay or private insurance companies *vis-à-vis* the public system. Those matters will push us into a situation similar to the United States, where again I say 96 million people do not have the benefit of the kind of medical care and medical treatment that we have.

I say in closing that this bill has disastrous implications for my own province, for my region and for this country as a whole. We have to realize that one of the things that keeps us together are those traditions in education and health care which are sacrosanct to the vast majority of Canadians.

For the federal government to back off from those commitments, to start withdrawing in a significant way the funding for those programs, is a betrayal of trust. It is a contribution to the break-up of this country.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I intend to participate in this debate, but I have a question for the hon. member for Halifax.

It is encouraging always to see a member stand up and defend her province as a major contributor to this country. I think we will all admit that the province of Nova Scotia, through its educational institutions, has been a major contributor. It is nice to see the member stand in her place and defend her province and its right to continue that wonderful tradition.

It would be somewhat helpful if the hon. member would actually look at the facts of the particular transfers that take place to her province. I would like to remind her and all those who listen here today that if she looked at the figures, the over-all growth at an annual rate of 5.6 per cent since 1984-85 to this day is not a negative growth; it is a positive growth; it is additional moneys to her province every given year since 1984 at a rate today which is significantly higher than inflation. She will admit, as her party did, that inflation has been wrestled to the ground and clearly, we are all happy about that.

Look at the other facts. Her province has received the highest increase in the fiscal years 1991-92 to 1992-93 of the equalization payments of 11 per cent. For goodness' sake, there is no restriction for her provincial government to use these moneys toward program financing such as education. All levels of governments, we will admit, have cash flow problems, but to suggest that this government is responsible for less moneys going to education is purely ridiculous and nonsense.

In excess of $1 billion is flowing to the province on equalization alone this year, the highest increase compared to any other province. This government clearly did not see that the province should have received less. The hon. member's argument should be with her province because it could reroute a good part of this additional money.

If you look at the facts, the moneys from this government of Canada count for 43 per cent of all of Nova Scotia's revenues, not insignificant, for a total of $2, 000 per capita, per year, this year. That is 55 per cent higher than the national average.

With all due respect to the province, and we all think it has great places of learning, how can she stand in her place and suggest that this government is at fault when it is the provincial government of Nova Scotia?

Ms. Clancy: Mr. Speaker, it is with a certain amount of mournful feeling that I reply to the hon. member from Portage—Interlake. Even the devil can quote Scripture.

It has been, shall we say, an activity of the federal government to constantly bring up the figures and say: "Look, we are giving you *x* number more dollars than we gave you last year". Perhaps if I explain this very slowly, my hon. friend will catch my drift.

What has happened with the universities in Nova Scotia and with health care are not just raises in inflation. I am sure everyone of us would hope that universities are not static institutions. Neither are health care institutions. Things grow, they increase, they attempt to improve and costs rise. Even without those changes in the development of programs larger number of students, et cetera, which have outstripped the inflation rate and the rate of increase to the province of Nova Scotia, you also have long-term capital costs which are not figured into the statistics that my hon. colleague represents.

The Sir Charles Tupper Building in Halifax, which is the home of Dalhousie Medical School, has major problems requiring major renovations. The magnificent fund-raising effort that went forward from the university and helped to build the fire-devastated Dalhousie Law School, which is now finished, also has ongoing problems. There are hundreds of people going in and out of buildings every day. There are repairs, there are upkeeps, all of which are not figured into the calculations.

On top of that, we have the whole question of increases over inflation *vis-à-vis* increases due to actual costs. In general, the rising costs of universities outside these other points I have mentioned also outstrip inflationary levels.

I would like to know, given that the hon. member comes from one of the western provinces which receives transfer payments, if the government of Manitoba is equally happy with the cuts in these particular areas. My hon. colleague from Winnipeg says no.

As to my argument with the premier of Nova Scotia, my party in Nova Scotia is doing everything it can with the greatest of alacrity to change the government in Nova Scotia and the problems will be significantly less under a new government.

• (1240)

When that happens there will be more voices added to mine, my colleague from South West Nova and the other four Liberal MPs from Nova Scotia who stand and vociferously defend our position and attack the position of the government with regard to the cuts to Established Programs Financing. My hon. colleague will hear those voices loud and clear for many years to come. A grand tradition not just of education, not just of health care, but equally of liberalism is re-established in an absolutely impressive way in the province of Nova Scotia to join the other Atlantic provinces of New Brunswick, Newfoundland and Prince Edward Island.

Mr. Felix Holtmann (Portage-Interlake): Mr. Speaker, just before I present some ideas with respect to what I think is a very important piece of legislation, I want to say to my colleague, who was making more of a political speech, that I was trying to debate some straight facts.

The numbers were not reduced. We did not cut back the numbers transferred to her province. They went up, and in the particular EPF area, although not as high as the hon. member would have liked, they went from $680 million to $684 million. That is not a cutback. That is exactly the opposite. It is an increase.

Members opposite cannot chide the fact that these figures are correct. It should not be suggested to anybody in this country that when you go up $4 million it is a cutback. No fancy words will change that.

In this of second reading debate of Bill C-60, which amends the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, let me say that I find this bill to be very promising. I know there is some scepticism by members opposite but I would like to explain what it proposes to do.

Mr. Milliken: A bunch of broken promises.

Mr. Holtmann: It involves the renewal by this government of the equalization program which earlier addresses from all sides of the House correctly recognized as the cornerstone of the Canadian fiscal federalism.

We have not taken our responsibilities and walked away from what we all consider to be a very important issue.

Mr. Milliken: You have shirked them completely.

Mr. Holtmann: The member says we have shirked them. I have just talked about the billions of dollars going into this program, and that is shirking. To the ladies and gentlemen who watch the opposition from time to time in this House, this bill does exactly the opposite as was suggested. It does renew what we intended to do, and that is to assist provinces which are far less affluent and far less able than others that are very industrious, such as Ontario, Alberta and British Columbia. It concerns some transfers which we agree need to be done.

The renewal follows more than a 20-month consultation with the provinces at both official and ministerial levels. We have engaged in significant consultation on the preparation of this bill. It was not done totally in-house by the Minister of Finance. There was a lot of consultation and it took a long time. We have what is generally an agreement, although the opposition members will scream and yell, as they do every day, that the Government of Canada has not contributed enough money.

As long as I have been here, since 1984, it has never been enough money. They always have demanded that the government indebt itself further for this particular program. Our Minister of Finance has taken a most reasonable approach without significant cutbacks to continue what we as Canadians feel is a very important part of our Constitution.

I believe hon. members will recognize that it was important to get the equalization renewal right. Now it is important to get it done. Our very real deadline of March 31, when the current five-year program expires, tells us that this particular bill will and shall go through.

This bill also proposes to confirm that the government has the authority to enter into agreements with the provinces to improve and simplify tax administration in this country. There is no argument, I am sure, from any member of this House that the taxation system does need revamping because it can be extremely cumbersome. The bill will therefore facilitate co-operation between federal and provincial governments in mutual administration and enforcement of each other's taxes, and will simplify the payment of taxes for taxpayers and government.

Let us talk about equalization, which the hon. member from Halifax made a major statement about, concerning how it affects her particular region. Honourable members will be aware that the commitments of equalization payments which are enshrined in section 32(2) of the Constitution exists so as to enable provincial governments to provide reasonable comparable levels of public service at reasonable comparable levels of taxation.

This is paramount as a country that wants to stay economically sound and allow opportunities to exist from coast to coast and within the territories. I believe that our commitment to continue in the way we have demonstrates in a very formidable way that we are prepared to continue that to the benefit of Canadians.

The benefits of equalization programs flow to the less wealthy provinces and it is therefore the most progressive of major transfers to the provinces.

In 1992-93 the government will provide about $8.5 billion in equalization payments to less wealthy provinces. To anyone watching this today on TV, that is a huge amount of money at a time of recession, which we are hopefully now moving out of. It is not a lesser amount, but a greater amount than was previously given to the provinces in this program.

Let us take a look at my province, for an example. The member for Halifax mentioned her province. I am not going to stand up and say that our province would not have liked to have received a little more. I see my colleague from Winnipeg is likely going to jump up and ask why his province did not receive more. He will say that I, as a Manitoban, should be demanding more from this government. I am also a member from the province of Manitoba who sees common sense apply, and not the attitude of grabbing the money and leaving the deficit to somebody else or to our children. We want common sense to apply. The Manitoba government, by the way, does not fare too badly under the present arrangement as proposed by this bill.

Our growth rate was 6 per cent since 1984-85. We will expect to get this year $1.9 billion into the provincial coffers, which is 40 per cent of all of Manitoba's revenue. The federal government plays a major role in the

finances and the activities of the province of Manitoba. It is expected to exceed $1,750 per capita this year.

Our equalization growth rate will be 9.8 per cent. That is not quite as high as the province of Nova Scotia, but very significant. When you compare the three transfers that will take place on the EPF and the Canada Assistance Plan, we are looking at 5.1 per cent, well above the inflationary rate.

There is no doubt that provinces are equally responsible for providing education and health care. It is not the federal government alone that is involved in this.

• (1250)

We all have deficits in the provinces as a result of a bit of a difficulty in our financial activities across this great land. Other countries do, we all recognize that, and we are striving very hard to bring back greater employment.

We have some other political parties hovering around the countryside that would like to reduce the amount of government intervention by 15 per cent. The Reform Party would do that. Now the opposition members should be standing on their feet. If we take 15 per cent away from the equalization payments to the provinces, I suspect we might have civil war.

That is the fear because this party that is going to save everyone in western Canada, the Reform Party, is advocating major reductions in spending by the federal government and this I am sure would be one of them.

When we see what 15 per cent does, hon. members in this House will clearly admit that our growth of 5 per cent, 6 per cent and in one case, 8 per cent, is not a reduction in transfer payments. It is our commitment toward this very important part of our federalism which I can assure members we have no indication of discontinuing. We do ask in a very reasonable and consultative way that the provinces also look very closely at their budgets and their programs. They have to contribute equally with the federal government to programs for which the funding is short.

There is no argument that there is less money coming in when you have a recession. There are demands on money all the time. As we know, none can deny it, even the wealthy province of Alberta finds itself with deficits. At one time it had such a tremendous growth in its heritage.

We are living in the real world. Those who jump up to condemn this government on this issue are not telling the facts and are not responsible to all Canadians when it comes to looking after the finances of this land. Canadians are telling us more and more to spend less. This present government, very wisely by the minister, reduced some of our personal income taxes because it is an incentive to work hard and maybe save some money.

When we look at these figures, I would really ask members opposite to consider that we have acted very responsibly. The members opposite are prepared to jump up and say: "You have cut these poor people out of education and you have cut them out of health and they cannot get a bed". That is not the case at all.

This government has lived within its fiscal framework, recognizing that we are in a downturn economy, hopefully to move it upward. We have interest rates at a reasonable level, albeit they bounced up one-quarter or one-half a per cent and mortgages went up three-quarters of a per cent and everybody panicked across the way. I think it has to be realized and demonstrated that we have inflation, which is very damaging to any economy, at a level which is acceptable. We have interest rates still at reasonable rates. When we compare the last 15 years, we have them at very reasonable rates. There is an indication that the budget has created housing starts far exceeding what we expected. Opposition members will jump up and say it is not enough. We have the right thing going with regard to this piece of legislation.

I heard the Leader of the Opposition state that we should deficit further for some short term gain in employment.

I have seen opposition in government and when it deficits, not by a few billion, but by many billions of dollars to get the economy going, it is only a short-term gain and a long-term pain for all the future people of this country, the young people. That attitude just does not wash today. The days when we have major extensions to our deficit to try to persuade the economy are not in the works any more. Canadians will not tolerate it.

Our party does not intend to raise the deficit at any kind of an alarming rate as it was done in the past. That is not the way of the future, it is not the way you run any business and it is not the way you run a country. I would like to see our country remain strong and remain a most desirable place to live, as was expressed by the United

Nations. It is not deficit spending that will allow this to happen.

With those few words I hope that I have brought some sense to the argument on Bill C-60. I want my colleagues to know that we can take some criticism from time to time, but for goodness' sake do not stand up and say: "You should throw more money at it. It is not enough. It is too little too late." I have heard every story going in here; it is always too little too late. We still have a fairly good economy. We have a lot of unemployment, there is no doubt about that, and it is serious, but we believe that this too shall pass if we stick to the way our finance minister has set out for us. It may need adjustment from time to time, but it is not a Liberal adjustment. It will never be a Liberal adjustment. It may be a Conservative adjustment.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to pose a few questions to my colleague.

The member started by saying that the intention of his government is to assist provinces. The government, over the last many years, seven years at least, has failed to assist provinces. If provinces had been assisted there would be no cry from provinces about the actions of this government. The facts speak for themselves.

The hon. member then indicated that this is a renewal and that the equalization provision is enshrined in section 32(2) of the Constitution. Is he telling us that he can refuse to proceed with the equalization payment? Is he telling us that the renewal of the equalization payment is a gift from this government? I submit that this government has no choice. It has to proceed with the equalization payment because it is enshrined in our Canadian Constitution. Do not give a false impression that this is a gift from this government. It has not done enough. That is the issue at this time.

The member was speaking about common sense. Common sense tells us that we should take into account excellent studies done by the Senate of Canada. The Senate study of January 1991 on the poverty issue indicated that if you spent some $5 billion today to help the poor children and youth in the country you would be able to recoup some $33 billion two decades later because we will be able to prevent some school dropouts across the country.

The hon. member from the government side would say that is deficit spending. I do not think he understands the difference between deficit spending and investment. In both instances it may well be that you may have to borrow money, but deficit spending is when you spend it on something out of which no good comes at the end, whereas investment is when you borrow and out of it comes excellent things, including a profit, a return.

• (1300)

The Senate of Canada has told us that if we spend $5 billion today, in 20 years we will be able to recoup $33 billion. By any common sense definition that will be an investment.

I would like to ask the hon. member a couple of questions. The transfer payments, the Established Programs Financing, includes both transfers for health and education. Could the hon. member indicate to the House why combine the two and not have them separate? Would he indicate to the House what the four ingredients are necessary for economic recovery that his government has failed to do?

Mr. Holtmann: Mr. Speaker, I am happy to respond to the hon. member from Winnipeg. I would like to answer his last question first.

The blueprint for economic recovery is, quite frankly, to put your financial house in order; try to get the government of this country out of its woes of debt upon debt. We have had some real growth years in those eight years. We have had great employment and we have had great industry activity, far exceeding what happened before.

We now have program expenditures in control with revenues, and that is how we influence the future development of this country. I understand by the member's statement that he is going to support the legislation because it gives the transfer payments which he says are in the Constitution. How would he dare vote against his Constitution if this is what this bill does?

It enshrines something in the Constitution. It gives Manitoba a 5.1 per cent growth rate. I am glad to hear today that he is going to support this legislation because it is going to put money in the province of Manitoba. It is going to put money in every province in this country through the payments.

Otherwise he would be in contravention of the Constitution. I would not want the hon. member from Winnipeg to get that crazy idea.

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, I have been listening very attentively to the debate.

I was concerned about the degree of partisanship that seems to have entered the debate on such an important issue as transfer payments and meeting the very important needs of our society.

I would like to ask the hon. member if he recalls, during the recent first ministers' conference, when the Liberal premier of New Brunswick indicated that there should be a new structure for health care servicing in his province and in provinces right across the country.

He was indicating that it was time to recognize the fiscal limitations on governments at all levels. In a recent newspaper article, the headlines indicated that the NDP government in Ontario has recognized the need to limit expenditures in the area of health care as well.

The old ways of political partisanship on issues as important as transfer payments have proven to be less than productive. As Liberal premiers in New Brunswick and NDP premiers in Ontario now recognize, deficit spending and the deficit way of operating the budget compromise the capacity of future generations to meet the needs of society.

There seems to be some misinformation here, and I would just like the hon. member to clarify. Has there been an increase in recent years? Will there continue to be an increase? Or has, as some of the members opposite suggest, there been a decrease or a cut?

Mr. Holtmann: I would also like to comment on behalf of my colleague on this particular issue.

Let us get it absolutely straight. The transfers of moneys from the Government of Canada to those in these programs have increased.

The argument being made opposite is that they have not increased to the level we would have liked to increase them to, which would obviously have driven our deficit that much higher. That is the argument. It has increased.

Let me say something and my colleague opposite from Winnipeg would agree. It is not nice being in a have not province. I would like Manitoba to be a have province. I resent being called a have not province. We have great things going for us in Manitoba. We get some great benefits in the province of Manitoba through these programs and so do the maritime provinces and so does Quebec.

The idea of sometimes being self-sustaining as a province or all-contributing to the benefit of this country is what I work toward as a member of Parliament from Manitoba. I sometimes think that when some provinces like Alberta and B.C. make some contributions through their tax structures that end up in other provinces it is a Robin Hood scenario.

We should not be ever and ever dependent on transfers from provinces. We should somehow find ways of allowing us to somehow grow and flourish. If there is any policy left in this country which favours development in different areas, that is what I would like. We live in a part of Canada that should allow us to grow and function no differently than Alberta, for example.

We may not have all the natural resources, but I will say that the goal here is certainly one to use these transfers in an effective way. It may not be the amount we would like to spend. We have to live within the means. The statement always said is: "Live within the means of your income". Governments have all lived beyond the means of their incomes. We have to live as a country within the means of the prosperity of this land. If it is not as prosperous as we like to spend, then we have to realize that and adjust.

I think we all agree that it is an important program to continue.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am delighted to be able to rise and join in this debate on Bill C-60.

To take a look at it one has to put it in the context of what has been happening in this country in the last number of years.

First of all, one has to look at the economic situation that this country has found itself in and how the federal government has prepared for the economic downturn that it precipitated.

Prior to the country going into a recession, the dramatic rise in unemployment insurance demands and the dramatic rise in demands on income assistance, the federal government changed the rules on unemployment insurance. It made sure that it was no longer responsible for putting any money into unemployment insurance.

The government started its off-loading. That is the key to this government; it is off-loading its responsibilities on others.

In the unemployment insurance field, it off-loaded its responsibility by pulling out any federal government contribution from the unemployment fund and off-loading it on employees and employers.

That has had a devastating effect on many small businesses. They were not in a position to function as well when the economic downturn came along. One wonders whether the federal government did not anticipate this.

It also cut back on the eligibility for unemployment insurance, meaning that many people who would have qualified are now dependent on income assistance and are going to the provinces. This drives up income assistance costs of which the federal government is paying 50 per cent under the Canada Assistance Plan.

The federal government took care of this. It simply said in the three wealthiest provinces, which have well over 50 per cent of those receiving income assistance, that it would limit its responsibility by putting a cap on the Canada Assistance Plan to 5 per cent.

• (1310)

The federal government talks very much about the need for economic competitiveness and the need for education. It takes a stand, however, that has cut back on the transfer payments to the provinces for post-secondary education, and at the same time has cut $200 million out of the Canadian job strategy program.

This is the context in which Bill C-60 comes before this House. The federal government has systematically off-loaded its responsibilities on the provinces, on to employers and on to employees. The impact on the provinces has been horrendous. It is worthwhile to spend a few minutes taking a look at each of these areas in terms of the impacts.

I will refer specifically to my own province of British Columbia. In the current fiscal year, the B.C. government is facing a deficit of $1.7 billion, of which $1.1 billion is directly the result of cutbacks of federal transfer payments.

The cap on the Canada Assistance Plan this year alone will cost the province of British Columbia $156 million. One has to remember that these are the funds being transferred to the provinces to help the most disadvantaged, those who not only have lost their jobs but who no longer qualify for unemployment insurance. This is the money that is transferred to the provinces to help children, not only poor children, but children who are abused and neglected. This is the government that talks very nicely about fulfilling its obligations to the UN charter on the rights of the child, while at the same time cuts back the funds to the provinces which improve the standard of living and protect children. That is one program.

The other program is EPF. The cutbacks on EPF were started, not by this government, but by the previous Liberal administration. When block funding was brought in there was a formula. It had nothing to do with expenditures. The federal government was to transfer money to the provinces based on the growth, the GNP and the growth in population. It was not based on expenditures or on any mythical amount based on the growth of the economy. It could afford to make those transfers.

In 1982, there was a forced attack on it by the Liberal government in the elimination of the 2 per cent tax point transfer. Then there was the six and five program. Then the federal government brought in limiting the escalation to 3 per cent and finally freezing it.

From 1992 to 1995, the province of British Columbia will lose $6.8 billion in transfer payments under this. Out of that, $2.6 billion is the result of Liberal cuts and the balance, about $4.2 billion, is the result of cuts by the federal Tories.

What is this money used for? It is to sustain our health care system at a time when the provinces experience not only escalating costs in health care, but increases in population, particularly British Columbia, because of the inward migration of people and the immigration into Canada.

It is also the money for post-secondary education, at a time when everyone knows that in order for Canada to be economically viable we must increase the number and quality of our graduates from our post-secondary educational facilities.

The federal government seems not to understand that we are in the middle of a debate on national unity and one of the things that holds this country together are our social programs such as health care, Canada Assistance Plan, income assistance. It has been the leadership of the federal government that has made for a national program. It is one of the things that makes us quite distinct from the United States.

The United States is mainly a Balkanization of states with varied programs that are not applicable as a right of an American citizen. In the States there are many Americans in every state who have no health care coverage at all. The Americans are increasingly looking at Canada for developing a national health care system that would provide coverage to everyone. This is ironic because at the same time we have a federal government that is reneging on its responsibilities by increasingly pulling out of the funding and leadership role in our health care.

There are other areas in which the federal government has pulled back in terms of the equalization or transfer payments to the provinces. Some of them are not large programs, but they have a significant impact on each of the provinces. The federal cuts have raised British Columbia's costs in the farm income stabilization program, crop insurance, economic development, reforestation, policing, social housing and correctional facilities. The federal government has again off-loaded its responsibility on to the provinces. These costs this year amount to $100 million.

What we have is a systematic attempt by this federal government to say it is not responsible for social programs, for the services to people across this country, that it is simply going to off-load these responsibilities on the provinces.

At any time in our history that would be regrettable. At this time, when we are debating unity and the holding of this country together, it is not only regrettable, it is downright malicious and almost criminal because it has the impact of making Canadians ask: "Why are we involved in a federal state if we have a federal government that can unilaterally pull out of its obligations financially and in terms of leadership?"

We hear the government members get up and say: "We had no choice. It is the debt; it is the deficit. We had no choice". I would like them to consider a few facts around the debt and the deficit. This government has been in power for over eight years, and if it has not had the economic competence to deal with the debt and the deficit in that period, I am sure it does not have the nerve to ask Canadians to give it another four or five years to try to deal with it.

When the government came into power, the debt was at about $150 to $160 billion. It is now well in excess of $425 billion. It tries to make out that the debt and the deficit are the result of program spending. That is simply not true. Program spending has accounted for about 9 per cent of that debt. The biggest cause of it has been this government's pigheaded and firm belief in a high interest rate policy.

• (1320)

We see the government, even in the last couple of weeks, using any excuse it can to justify driving interest rates back up. That has directly hurt this government's ability to service the debt. If interest rates had been an average of 4 per cent lower, on $400 billion that is a $16 billion a year saving. That would go a long way in dealing with the deficit that we are now incurring.

The government seems to say that it has no choice. Certainly if interest rates fell the Canadian dollar would fall. That is true. I would concur with that.

I happen to be from a province that would be quite happy to see an 80-cent Canadian dollar. We are an exporting province. We would be quite happy to see our lumber industry flourishing with a reduced dollar. We would be much more competitive with our exports to the Asian market and our exports to the United States.

The other major contributor to the debt that this government keeps harping on are tax concessions to the wealthy and to the corporations. The share of taxes corporations pay has steadily dropped over the last number of years. It used to be about 50/50. It is now down to the point at which corporations pay about 20 per cent of the revenues.

We have given tax loophole after tax loophole to the wealthy. The $100,000 capital gain is costing the federal government, to the provinces, $2.5 billion a year. The bulk of these lost tax revenues goes to those making over $100,000 a year, the very high income earners.

We have changed our system of RRSPs. We have made it so that the person earning less than $20,000 has had his ability to contribute to an RRSP reduced, while a person earning $86,000 a year has had his ability to contribute to an RRSP and avoid taxes increased dramatically. This is the kind of approach that this government has taken to the deficit and the debt.

My conclusion is that the government has deliberately run up the deficit. It has deliberately run up the debt. It did not take steps when it was elected in 1984 to bring the deficit under control or to bring the debt under control. It simply escalated the tax write-offs for the wealthy and the corporations. It simply drove up the interest rates to keep our Canadian dollar high. It appears that was part of the free trade deal. It made an agreement with the United States to keep it competitive compared to us by keeping our dollar high. I can only come to the conclusion that it has done this in order to attack social programs. The government philosophically does not support the Canadian concept of a social safety net, of national social programs and national leadership in this area. Unfortunately, by doing so it is starting to destroy the very fabric that is Canada.

This is the background that must be taken into consideration when one looks at Bill C-60. It is an act concerning the transfer of payments from the federal government to the provinces. It has to be taken in the view of this government's record. It has taken the stand that it will not be responsible. It will off-load its responsibility for post-secondary education, for health care, for corrections, on to the provinces. It will off-load its responsibility to the unemployed on to employers and employees. It will off-load its responsibility for income assistance recipients and children on to the provinces through the Canada Assistance Plan.

It is because of this that Canadians have lost faith in this federal government.

Mr. Brian O'Kurley (Elk Island): I was listening to some of the rhetoric from my hon. colleague in the New Democratic Party, particularly with regard to the accusation that the Government of Canada has deliberately increased the deficit. This is consistent with other disinformation spread by members of the NDP. The deficit in 1984 was nearly at the $40 billion level, and as he should know, it has been reduced now by almost $10 billion to around the $30 billion level.

In spite of the rhetoric, I do want to acknowledge that he and other members of his party may be speaking on behalf of a sincere interest in the present generation. However, members of the Progressive Conservative Party not only feel a responsibility to members of this generation in terms of meeting the social needs of Canadians, but we also feel a very serious responsibility toward looking after the needs of future generations.

I see in the House of Commons today some very young people. Members of this party are concerned about ensuring that future governments of Canada will have the capacity to meet the needs of future generations. I am concerned that the "live for today" attitude of the NDP and other members of the opposition seems to neglect the future and neglect the ability of future governments to respond to social needs.

Assuming that we would do what the socialists recommend, spend out of control, as we have seen the socialist government in the province of Ontario do, what would he do for future generations in terms of meeting their needs?

Mr. Karpoff: I wish the member would go down to the food banks today and ask future generations, two-thirds of which are children in the Atlantic region, what their future holds for them. When they are hungry, when they are not able to go to school because they are not properly fed, is that the future you are talking about?

It is very nice to say to the person who cannot get into a university, who cannot afford to go to post-secondary education: "Your future looks good". Where is their future?

The deficit and debt are serious problems. They are problems that this government had the responsibility to deal with in 1984. It has shown, has demonstrated for eight consecutive years, that it is incompetent, that it cannot eradicate the deficit, that it cannot start to deal with the debt. The total debt in this country has gone from $160 billion to $420 billion. Even the Tories must understand all that is happening is that they are no longer paying their way, not quite as badly as the Liberals, but they have done nothing. They have not wiped out the deficit, they have not brought it under control, and they have simply off-loaded their responsi-

bilities on to the provinces. They have simply off-loaded them on the poor.

What have they done? They have helped their corporate tax friends. They have given tax break after tax break to their corporate tax friends.

The fact is that the average Canadian family with an income between $25,000 and $75,000 per year is paying in real terms $1,800 more a year in taxes. Those earning over $100,000 are only paying about half of that in increased taxes.

This is the philosophy of this government. Do not talk to me about what you are doing for the future generation. You have put the future generation in debt and you have put it in debt hungry.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I enjoyed hearing the hon. member speak about lowering interest rates and following the policies advocated by my leader. It was encouraging.

He also spoke in his speech about the virtues of taxation of corporations. I am sure he had in his mind the big bad banks. I wonder if he could tell us if it is still his party's policy to nationalize Canada's chartered banks.

Mr. Karpoff: I belong to one of the growing financial institutions in this country, the Surrey Metro Credit Union. It is now the second largest credit union in the country. It is community owned. It is a co-operative, it is socialist movement, the same as the Vancity Credit Union, which is also one of the biggest and fastest growing financial institutions.

At this point we have to bring in fair taxation. The national banks have not been paying their fair share of taxes. We in the New Democratic Party strongly believe in fair taxes.

I can assure the member that when we are the government after the next federal election we will bring in legislation to make sure that the banks and other multinational corporations pay their fair share of taxes.

The Acting Speaker (Mr. DeBlois): It being 1.33 p.m., I do now leave the chair until two o'clock p.m.

The House took recess at 1.33 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, I call on the Minister of Veterans Affairs to reassure the veterans of Canada that the benefits and programs his department provides will continue as long as there are needy and disabled Canadians who need them.

Seventy-five years ago the Prime Minister of Canada promised the veterans of World War I that they would be cared for by a grateful nation. Today there is fear among the veteran population that this government is planning to abandon them and abandon the department in the name of cost efficiency.

I understand that at least 250 positions at Veterans Affairs Canada will be declared surplus under the work force adjustment program in the coming year. I further understand that the department is undertaking joint studies with Health and Welfare about the future and about amalgamation.

It is time for the government and the minister to make a clear commitment to the veterans of Canada.

* * *

CHLOROFLUOROCARBONS

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased that the environment minister has chosen to follow my suggestion made last week in this House that Canada implement a ban on CFCs by 1995.

I remind the minister that it is Canada and not the provinces that must set regulations for CFC recovery. It is Canada that will negotiate changes to the Montreal protocol this coming November.

With alarming new evidence that the ozone layer is disappearing faster than anyone expected, we are in a state of environmental emergency. Now is the time for the federal government to bring in national standards for the recovery of CFCs.

Almost six months ago I suggested this government examine the CFC-sucking vampire units. With an estimated recovery market worth more than $2 billion, recovering used CFCs would create jobs in our failing

economy as well as save the ozone and protect people's health.

This government has too little courage. Instead of allocating federal resources in Canadian technology that could be exported to the rest of the world, it takes timid baby steps when giant strides are necessary.

* * *

ST. CATHARINES

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, the recent announcement by General Motors of job cuts was a severe blow to the people of St. Catharines.

The immediate reaction to the news was naturally one of anger, resentment and anxiety about the future of the city as well as a temptation to place blame for the situation. While understandable, these emotions are not going to help our community.

Within days of the announcement there was a meeting of business people, labour leaders and individuals from all levels of government representing the three main political parties. The tone of the meeting was one of commitment to co-operate in trying to find solutions to our economic situation.

It is unfortunate that it took a problem of this magnitude to get everyone to work together, but clearly that is how we will succeed.

St. Catharines has many significant assets, but easily the best is its people. I am confident the citizens of the garden city will prosper in the face of this setback. I know we will all continue to work together to ensure our future success.

* * *

[*Translation*]

BILL C-13

Mr. Louis Plamondon (Richelieu): Mr. Speaker, over the past four days, the Bloc Quebecois has been struggling to amend Bill C-13, which runs directly counter to Quebec's best interest.

Yesterday, the Quebec National Assembly passed a unanimous resolution condemning this bill. Today, Premier Bourassa, the Quebec Manufacturers' Association and the Quebec Chamber of Commerce are asking federal MPs from Quebec to kill this bill.

Here is a chance for the Conservative MPs from Quebec to fight for their homeland instead of for their party. They must refuse to destroy Quebec's economy and to personify domineering federalism.

* * *

[*English*]

FRASER RIVER DEBRIS CONTROL BOARD

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, I welcome the commitment by the Department of Transport to continue federal funding of the Fraser River log trap located in the heart of my constituency.

Some 11 kilometres up the Fraser River from Agassiz in my riding of Fraser Valley East the log trap clears debris from the Fraser River ensuring the safety of river traffic downstream.

There was some concern that the federal commitment to this operation would lapse. I joined my B.C. colleagues and with much perseverance we persuaded the Department of Transport to reconsider its commitment to the Fraser River Debris Control Board. As a result, the $180,000 annual federal contribution to the Fraser River Debris Control Board will be maintained for the next five years.

The debris trap collects 100,000 cubic metres of debris each year and contributes to the bulk of the board's operations. I trust that this addresses any concerns as to the federal government's commitment to navigational safety on the Fraser River.

* * *

IMMIGRATION

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, how insensitive and incoherent has our immigration policy become? And how unreasonable the decisions of our department of immigration and its refugee determination board? Their decisions deal with people as just so many ciphers, and Canada's reputation for understanding and humanity is suffering as a result.

The plight of the Rees family is a case in point. Keran and Gale Rees have been ideal parents of an ideal Canadian family since their arrival in this country in June 1988. Keran became a valued part of the production

team of CFM-TV, and Gale a nurse. Both are community minded volunteers. Four of their children are exemplary students as these letters of support indicate.

However their family's claim for refugee status has been denied four years later. Worse, the department has issued notices and made travel plans for all but the youngest member of the Rees family, a Canadian born two-year old. What does the minister propose to do to advance the interests of this young Canadian who will be deprived of his parents? Is it not time for the minister of immigration to become involved in the issue?

* * *

ISRAEL

Ms. Barbara Greene (Don Valley North): Mr. Speaker, on March 18 yet another terrorist attack was carried out by enemies of Israel, this time against the Israeli Embassy in Buenos Aires. More than 11 people were killed and over 130 wounded.

Terrorist attacks such as this do not intimidate the Jewish people. They only serve to identify the perpetrators as inhuman cowards, consumed with blind sadistic malevolence.

The Jewish community and friends of the Jewish community once again feel the searing pain of racist acts of hate and once again experience a sense of revulsion and renewed solidarity against such acts and such people.

* * *

EXTERNAL AFFAIRS

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, for some time I and many other Canadians, including members of this House, have been concerned about the plight of Christine Lamont and David Spencer.

Recently the archbishop of Sao Paulo has written to the Canadian government, to the Secretary of State for External Affairs, urging the minister to do that which is necessary in order for these two young people to be released from the terrible predicament they are in, and that is to make a formal request for their expulsion from Brazil.

The government has yet to do this. It is a strange situation where we have almost a consensus in Brazil, and particularly on the part of the church, that these people are innocent and they do not deserve what is being meted out to them in a foreign country. Yet it is their own government which refuses to act.

I hope the Prime Minister will intervene, as it has been suggested he might, and make sure that this expulsion order is given and given soon so that these young people might be returned to Canada.

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[*Translation*]

VERY HIGH SPEED TRAIN

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, the Quebec business community feels an act of faith is needed to make the construction and operation of a Quebec-Windsor very high speed railway line a reality and many are those who have acted already.

The office for the economic development of greater Quebec has been given the mandate to monitor this project closely. To this end, the office thought it would be advisable to join the very high speed train service benefits office to allow its members to gain access to strategic information. It will also encourage essential alliances for technology transfers, business linkage as well as the establishment of new firms to take advantage of the vitality of our region. It is with that in mind, that the Quebec urban community and the city of Quebec have decided to sponsor the very high speed train service benefits office. This project will be a determining factor in our social and economic development as we enter the 21st century.

* * *

[*English*]

PEACE BRIDGE

Mr. Girve Fretz (Erie): Mr. Speaker, I have received two letters re special clearance lanes and their success at the Peace Bridge in Fort Erie. The one from Mayor Teal in part reads:

• (1410)

> As spring break approaches, you will no doubt recall the grid lock situation that occurred on the bridge one year ago. The changes that were put in place in response to that event and to the traffic problems being experienced on the bridge have been extremely successful.

The second is from the bridge authority and reads:

> We would like to take this opportunity to thank you and the federal Government of Canada for their initiatives in instituting the "Special Lanes" at the Peace Bridge last year. From our perspective, the implementation and continued operation of the "Special Lanes" had a definite positive impact on the movement of traffic on our facility into Canada—From our perspective, the positive results continue to

enhance the economy of the Town of Fort Erie and the Niagara Region.

* * *

COMMENTS OF MINISTER OF FISHERIES AND OCEANS

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, three months ago the Minister of Fisheries and Oceans made comments which were insulting and offensive to women at a fund-raising dinner on Prince Edward Island.

I, along with other groups and individuals from my province, wrote to the Prime Minister that month urging him to elicit an apology from the minister for the remarks. To date no response has been received.

Last week we acknowledged International Women's Day and the contributions women have made to our society. I feel the least the Prime Minister could do is to distance himself from the minister's comments and demand an apology.

To do less is to demonstrate that this Prime Minister is not prepared to demonstrate a serious commitment to ensuring that women are treated with dignity, respect and equality.

Let us see some leadership on this issue. Let us see if the message put forward by International Women's Day has actually been received by the government.

* * *

THE ENVIRONMENT

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, Canada is in the forefront of the battle against ozone depletion.

Last August the government launched a $25 million green plan initiative to accelerate the domestic regulatory control program. Canada has reduced its consumption of CFCs by 50 per cent since 1986 and is committed to eliminate their production and import into this country no later than 1997.

The government is also working with the provinces to develop a comprehensive national action plan to promote the conservation, recovery and recycling of ozone depleting chemicals. Also the government will provide Canadians regular updates on the status of the ozone layer and on implications for the level of the sun's ultraviolet rays.

* * *

PENSIONS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, there was a case in Winnipeg recently where a 58-year old woman was denied a survivor's benefit. Her husband lived with another woman for a year before he died.

The Department of National Health and Welfare ruled that the other woman is entitled to the pension. In this case the man's wife lived with him for 18 years and received nothing. There was no divorce.

Had this happened prior to 1987 and there were contesting applications, the minister of health could have made a judgment on such a situation. Now an individual only has to prove that he or she has lived with another person common law and be entitled to such a pension.

Surely there must be a fairer way of settling things. Not to do so would be a callous disregard this government has shown for Canadian families and this situation in particular.

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GASOLINE ADDITIVES

Mr. Ross Harvey (Edmonton East): Mr. Speaker, as was announced earlier this week, Ontarians will soon enjoy a privilege previously known only in the west.

Starting in May, Ontarians will be able to purchase ethanol blend gasolines. Thanks to the forward looking partnership of Sunoco and United Co-Operatives of Ontario—you gotta love those co-operatives, Mr. Speaker—Ontarians will have a whole new market for some of their produce and Ontario consumers will be able to fuel their cars with same ethanol blends already labelled an "environmental choice" product at Mohawk Company pumps across the west.

Hundreds of thousands fewer tonnes of new carbon pulled up from underground and introduced into the biosphere every year and 30 per cent lower carbon monoxide emissions are the boon of ethanol fuels.

Congratulations, Sunoco and United Co-Ops of Ontario, and welcome to ethanol fuels, Ontarians.

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[*Translation*]

INTERNATIONAL DAY FOR THE ELIMINATION OF RACIAL DISCRIMINATION

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, Saturday, March 21 is the International Day for the Elimination of Racial Discrimination.

In 1986, Prime Minister Mulroney announced that Canada would participate in the second decade to fight racism and racial discrimination. In 1989, the federal government launched its first national March 21 campaign.

Mr. Speaker, I am proud of what my government has done and the leadership it has shown.

Together with police departments, businesses and unions, educators and academics, municipal or voluntary organizations, broadcasters and many others, we have begun the process of change so that one day, all Canadians can participate fully and on an equal footing in the life of our society, as the Prime Minister said.

Mr. Speaker, I know that all members of this House will agree with me that the sooner that day arrives, the happier and more prosperous all Canadians will be.

* * *

[*English*]

SYRIAN JEWS

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, in 1989 the world watched, tears of joy flowing, as the Berlin wall came tumbling down, bringing with it an end to 50 years of fear and oppression.

Now the world must turn its attention to others in need to a people who are tortured, imprisoned, humiliated and stripped of basic rights and freedoms, the Syrian Jews. Now we must bring down the walls of Syria and free the Syrian Jews from captivity.

President Hafez el-Assad is not immune to pressure. He must know that he can no longer hold 4,000 people hostage in their own country. Nor can he track their every move with secret police or imprison them without charge.

Let us send a clear message to our government that it must become a link in the armour against anti-Semitism. Our government must add its voice to an international choir, along with the governments of the United States, Japan, Britain, France, the whole world speaking together to Syria. Imagine how strong the voice will be.

We shall attain freedom for the Syrian Jews.

ORAL QUESTION PERIOD

[*English*]

BREAST IMPLANTS

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the Acting Prime Minister. Today, the women of Canada are relieved, but not because of this government. For the past two years we have seen ministers of this government rise in their places and state unequivocally in this House that the silicone gel breast implant was a safe product. Yet time after time we in the opposition have brought forth the serious safety concerns of the scientific community and the women of Canada who have had these implants.

Can the Acting Prime Minister tell this House today and finally explain why this government has never, never come forward to ban this product in either a preliminary or a final way?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, this morning I circulated a press release which I think summarizes the government's position on the question from the beginning. If you allow me, I would like to read a paragraph which summarizes the government's position from the beginning as well:

[*English*]

"Our main priority remains to be the health of women who have this prosthesis. I have consistently stated that women who have this prosthesis should obtain the best possible medical and scientific information on the health and safety implications of these devices. The independent advisory committee on breast implants chaired by Dr. Cornelia Baynes —"

Mr. Dingwall: Don't be patronizing.

Mr. Bouchard (Roberval): Could you listen when I have to deal with a serious issue to Canadians, please.

An hon. member: It's a long time coming.

Mr. Speaker: Just a moment. This is the lead question of the hon. member on behalf of the Loyal Opposition. The minister is responding. It is an important question or it would not be the lead question. I ask hon. members to allow the minister to respond.

Mr. Bouchard (Roberval): Thank you, Mr. Speaker. "The independent advisory committee on breast implants, chaired by Dr. Cornelia Baynes, which was established on February 17, 1992, will help us in making information available. Dow Corning's decision does not change the need for the critical information."

There are three categories of women that we have to serve. The first group is those who have had the breast implant and do not have any problems. If there is any problem, they should be referred to their doctors. Those who have problems with the breast implant should also go to their doctors and make a good decision in light of the information that they can share. The third one is the future of the breast implant. We have a moratorium. I said it will not be back on the market unless I have the assurance there is no problem. I believe my predecessor and I dealt with that issue the best we could. We are trying to do one thing and that is to help Canadian women to make the best decisions.

• (1420)

Mrs. Beryl Gaffney (Nepean): To the same minister, Mr. Speaker. After years of repeated requests, the minister finally tabled some documents in the House two days ago. I find it very odd that excluded from the package were four key studies I had already obtained under Access to Information from his own department. I find this is bordering on deception. This is totally unacceptable to me and the members on this side of the House.

Will the minister re-examine the situation carefully and table the full and comprehensive set of documents before the end of this week?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, what I said two days ago, and I repeat today, is that all documentation available in the Department of National Health and Welfare which is not protected as private information is available and will be available. If there are any documents that my colleague has that were not in the package, it could be that because those documents were already public they were not presented in the package.

I will repeat what I said. If there is any information available in the department which is not protected and I can make it available, I will. As I said, nothing has to be hidden and I never hide any information from Canadians.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I can understand why the minister is embarrassed about this issue because it is a classic example of a government that has not protected the health of women and continues to put the health of women at risk.

Today in the United States, Dow Corning announced a plan of a $10 million fund to be set up to help the women of the United States, but said in its statement that there would not be a penny for the women of Canada. I ask the minister what specific action he intends to take today to go to the limit to sue Dow Corning to ensure that Canadian women are protected in this very important issue?

Hon. Benoît Bouchard (Minister of National Health and Welfare): As usual, Mr. Speaker, the member for Hamilton East is wrong. Dow Corning in Canada said it will respect the commitment it made in terms of research.

Second, the member should know that any surgery or any operation requested by doctors would be covered by the Canadian Health Act. She knows that, but she wants to play politics.

Ms. Sheila Copps (Hamilton East): Why, Mr. Speaker, should the Canadian health care system pay for a mistake by Dow Corning that was kept covered up for 20 years?

[*Translation*]

Mr. Speaker, further to the minister's meeting in February with the group called "I Know", he promised that he was ready to go as far as suing Dow Corning. I therefore ask the minister whether he is prepared to demand for Canadian women the same rights that were announced today for American women. Why a double standard for Canadian women?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the hon. member for Hamilton East has understood nothing, as usual. No action has yet been taken and she has already decided that the government and the health system would pay for it all. The provinces are responsible for applying the system. If they decide to negotiate reimbursement with Dow Corning, it will certainly be in the company's interest to reach agreement with the provinces concerned. But again, all the measures taken in the United States have been taken in Canada, except that the Americans do not have the system of universal health care that we have here in Canada. I am quite prepared, and we have already started to contact the provinces to ensure that this issue is treated equally.

The information about suing is false. I never made a commitment to Ms. Marsolais-Tardif—although you did not give her name, I am giving it—to prosecute any company whatever.

I said that I would help the "I Know" organization, if it needed help. That is all. That is the information.

[*English*]

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, if the minister of health and welfare is not prepared to table the documents as the hon. member for Nepean suggested, maybe she would table them for Canadian women on his behalf.

In view of yet another company pulling out of the implant market, I reiterate my call for a judicial inquiry into health and welfare department of medical devices for its handling of the breast implant issue. In the face of the complete failure of leaving the testing of breast implants in the hands of manufacturers, will the minister assure Canadian women that no new implants will come on the Canadian market without government testing for their safety.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I said already that those implants were not available on the Canadian market. I said too that before they could be back on the market, I would need to have the assurance that there is not even a little problem for Canadian women. I believe that is what Canadian women want to know.

Once again I refer to my colleague and my predecessor. At least I believe she knows what she is talking about. She knows very well. We have had conversations and I have said to her many times that I will not put in danger the health of women in terms of breast implants. That is what we are doing. That is what we will do.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, first of all the hon. minister was not listening. I said new implants. Second, he has talked several times this afternoon about his concern for the health of Canadian women and he in fact consistently endangers the health of Canadian women by his lack of action.

What is the minister going to do for the 150,000 Canadian women who are left with unanswered questions about the safety of their implants, about the safety of their health. Will the minister meet and work with provincial ministers of health to ensure that women breast implantees have the kind of information and the kind of support they need to know they are safe or that they need medical help?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the member asked me what I will do for the 150,000 women who have breast implants. I already said that we are trying to get the best information available through Dr. Cornelia Bayne's committee from the United States and Canada. They will report to me some time in April, and will provide all information they have in terms of the choice that women should make regarding the breast implants they already have, or for those who would like to have those implants.

In terms of the provinces, I have already had three meetings with the ministers from the provinces. On any request, I will do that again. I believe Canadian women know increasingly that I am doing what should be done to protect the health of Canadian women.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I really do not want to stand here and insult the minister by suggesting that I do not believe that he has done exactly what needs to be done for the health of these women.

Dow Corning not only admitted when the new president took over that there are some problems with these implants, but now Dow Corning has withdrawn the implants from the market and said it will consider recompense in the United States where women do not have access to a medical plan, and in Canada for any

women who do not have protection. Dow Corning will give some recompense to those women for the cost of explantation.

I believe that Dow Corning should repay the Canadian medicare system for any costs associated with explantation or difficulties as a result of the implants. Will the minister discuss with the provincial ministers the requirement of Dow Corning and Surgitek to reimburse Canada's medicare system for any costs incurred because of failed implants or for explantation?

• (1430)

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the member knows that unlike what is going on in the United States, we have a medical system in Canada which pays for all costs relating to an operation requested by a doctor. It is what we will do for those who believe that with the agreement of the doctor the breast implant operation has to take place.

In the future, any negotiations with Dow Corning will have to be made with the provinces. It cannot be at the federal level because we do not provide the money.

Ms. Copps: Sue them. Who put it on the market?

Ms. Langan: But you will not initiate it.

Mr. Bouchard (Roberval): If the provinces want co-operation and terms from the federal level for discussions with the companies, of course we will be there. But we will wait, if she wants, for this reality. It is not here yet but we will follow the case. The provinces have already said to me that in many cases they want to collaborate. This is exactly what we will do.

* * *

[*Translation*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister for International Trade.

For months we have been asking the government about developments in the free trade talks between Canada, the United States and Mexico, and we have yet to get an answer. We do not know the government's objectives. We do not know whether the government has done any impact studies and we do not yet know what the Canadian or North American content for cars will be.

I wish the minister would tell me what he has to hide from Canadians. Don't Canadians have a right to know about developments in a process that will have a tremendous impact on their economic well-being?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I know my hon. friend is not able to get to committee meetings. I discussed the objectives of the Government of Canada at a committee meeting on international trade two or three weeks ago.

This afternoon we have offered to his trade critic the opportunity to come to a briefing by the chief negotiator of the North American free trade negotiations, to provide access to the text, as well as a two to three hour briefing on the specific elements of the text.

My hon. friend is very well aware that we have provided briefings on an ongoing basis to members of the advisory groups involved. They have provided us as well as the provinces, with advice on the trade negotiations.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we know that the Prime Minister is talking this afternoon with the *Wall Street Journal*.

I know the press will ask him about this, because it is a very important topic in the United States at this moment. What will be the treaty with Mexico and Canada on free trade? I would like to know from the minister if Canadians will be obliged to read in the *Wall Street Journal* what will be going on tomorrow rather than knowing from this government. We want to get the facts to the Canadian people.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, we have been as open with Canadians as the United States government is with Americans.

Mr. Barrett: Nonsense and you know it. Read Bosley's report.

Mr. Wilson (Etobicoke Centre): My friend at the other end says nonsense. Let me read what Mr. Gephardt, the majority leader of the House of Representatives said in a letter to Mrs. Hills. "While the U.S. negotiated position and documents have been provided to Canadian and Mexican negotiators, the public is being—that is the U.S. public—is being kept in the dark". Congress is asking for the same information as members on the other side are asking.

The simple facts are that we are not going to undermine our national negotiating position and we are not going to provide to members of the public on an open basis with matters which are subject of commercial confidentiality. We will continue to do the briefings on the basis I have offered to the House committee. That offer still stands. It is unfortunate that the members of the opposition have put politics ahead of their country's national interests.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, for two days in a row the Minister for International Trade has said that he would not offer commercially confidential information about the free trade negotiations. No one is asking for such information. No one is seeking commercially confidential information.

What Canadians want to know is what this government's minimal objectives are in these negotiations. For example, the existing United States-Canada free trade agreement has shown itself to be flawed because there is no definition of subsidies. Will this government be part of a trilateral agreement which does not include a subsidies code and which does not include a prompt and binding dispute settlement mechanism? That is the sort of question we want answered, not whether it is commercially confidential information.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I responded to that type of question quite precisely. The question of subsidies is the subject right now of negotiations under the multilateral trade negotiations. We have made it very clear it is the result of that negotiation that we will apply, both to the free trade agreement with the United States as well if we have one with Mexico, to the Mexican negotiations.

As far as the dispute settlement mechanism is concerned, my hon. friend is very well aware it was absolutely critical to our going through with the free trade agreement with the United States and the maintenance of that, on a binding basis, as my friend has reminded us, is also absolutely critical to a North American free trade negotiation.

Hon. Roy MacLaren (Etobicoke North): The minister knows that those answers are the sort of questions which should be answered in committee in an open discussion and not in some sort of confidential briefing that is the best that the minister can apparently offer.

The Canadian people have many other questions that this government has failed to answer. Other countries, for example, Chile and Costa Rica, want to be part of a free trade agreement in the western hemisphere. Canadians will want to know whether it is one of the objectives of this government to open the way for other western hemisphere countries to join the agreement. Specifically, is this government seeking an accession clause in the final agreement?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my friend is asking some very specific questions and, if I might say so, they are good questions. It is unfortunate his colleagues in the committee meeting I was at were braying like donkeys and not asking the sort of questions which went anything like to the point of the objectives of the negotiations that my hon. friend is trying to do today. I compliment him on that.

As far as the question of accession, we have made it clear that this is a matter we think should be discussed on a very careful basis with the Americans and the Mexicans. Precisely where we are going to end up on that particular issue I cannot say at this point, but I would be happy to go into it in more detail in the committee if he wishes to.

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GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is to the Deputy Prime Minister who will have noted that Helmut Kohl is flying to Washington tomorrow to discuss the German position at the renewed GATT discussions.

Five weeks have passed since the Prime Minister was instructed unanimously by this House to hold similar meetings with Presidents Bush and Delore in order to secure their support for a clarified and strengthed article XI(2)(c)(i) at the GATT. Can he tell us what arrangements our Prime Minister has made to comply with that request?

Hon. Bill McKnight (Minister of Agriculture): The Prime Minister, as the House knows and as farm leadership knows, has had discussions with international leaders, with Chancellor Kohl, with Prime Minister Major, with Prime Minister Mitterrand, with President Delore and with President Bush, putting forward Canada's position.

The Prime Minister spoke to Chancellor Kohl before his meeting this weekend with President Bush, putting forward Canada's position and attempting to garner support from Chancellor Kohl for Canada's position. We will continue to do that. It is a matter of the timing as to when it would best serve the interests of Canada that the Prime Minister take further steps, but the Prime Minister was deeply involved in this process well before the House instructed him. He was involved in the interests of Canadian agriculture over the whole round of GATT for the last five years.

• (1440)

Mr. Vic Althouse (Mackenzie): Mr. Speaker, perhaps the minister would table in the House the dates of the meetings that he says occurred with President Bush and President Delors.

Mike Gifford, who was our senior negotiator at the GATT talks told the publication *Ontario Farmer* that while Canada has not offered tariff equivalents for the supply managed industries, Canada's tabled offer has followed the Dunkel paper.

Since the Dunkel report does not mention anything about article XI(2)(c)(i), how is supply management protected with the government's position?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member is coming into the debate a little late.

We informed the supply management farm leaders, we informed the SAGIT, which advises the government, that when Canada tabled our access along with other countries, we would be following the Dunkel text with the exception of those industries which were supply managed.

We informed them that in fact we would be tabling no tariff equivalents for supply management but that we would in turn be tabling Canada's position which is to have supply management recognized, article XI recognized and operational or clarified and strengthened. We tabled that as Canada's position.

We have followed the Dunkel text with that exception. That was knowledge that was given to the SAGIT and supported by the SAGIT.

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[*Translation*]

TRADE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is directed to the Minister for International Trade.

Considering the unprecedented loss of jobs following the signing of the free trade agreement between Canada and the United States, can the minister give this House the assurance that his government has completed the requisite impact studies to prove that an agreement with Mexico will not have the same disastrous consequences for Canada? Furthermore, is he prepared to publish those studies?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me just draw my friend's attention to the fact that our exports are up over $5 billion since we entered into the free trade agreement.

Our trade surplus with the United States is up about 10 per cent. The net flows of foreign direct investment have moved from a negative position of $2.5 billion to a net positive of about $5 billion or swinging $7.5 billion, all of which are helping this economy.

My hon. friend is cherry picking statistics when he talks about job loss. He is not looking at the net bottom line of what the positive benefits of this agreement are. As far as the impacts are concerned, I have commented on the impacts on a number of occasions.

We have two-way trade with Mexico of $2.5 billion. With the United States, it is over $200 billion. If all trade is added in, it is $256 billion, so there is a tremendous difference. Therefore, the impact of different industries are considerably less than any impact that would have to occur with the free trade agreement with the United States.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the minister cannot deny the thousands of job losses that have occurred by firms in Canada moving south of the border.

Surely Canadians have a right to know that they will not be sold down the river if Canada embarks upon a North American free trade agreement. Has his department completed the impact studies on the sectoral effects of a NAFTA agreement? Will he make those impact studies public? Will he commit his government to ensuring that this time adequate adjustment provisions are in place for Canadians?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me remind my friend again that some 70 per cent of the exports that come from Mexico into Canada come here free of duty already. There will not be the impact that my hon. friend is talking about.

My friend also talks about the job loss that he knows is directly caused by the free trade agreement. What any reasonable economist will tell you today is that there is a recession, there is adjustment related to free trade, there is adjustment related to change that is going on internationally that is affecting all countries.

It is this combination of things that is affecting our economy today. We are going through a period that is unprecedented in our history. For my hon. friend to draw these simplistic conclusions is misleading the Canadian public.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister for International Trade, and it will be frank and forthright.

Will the government promise not to sign a North American free trade agreement, in the absence of parallel agreements that oblige all three countries to have common standards for the environment and health and safety in the workplace?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, today in Vancouver, at a meeting of the Canadian Council of Environment Ministers, the Mexican deputy minister responsible for the environment was asked to speak on the subject of a possible environmental agreement between Canada, Mexico and the United States.

He will tell the ministers today what he has already told me several times, namely, that in Mexico they have environmental standards similar to those we have in Canada, but without the same emphasis on enforcement.

Furthermore, he will inform them of the fact that on February 25, the U.S. Government and the Mexican Government announced a special initiative targeted to the Mexican-U.S. border area. The Mexicans will spend over $450 million in the next three years, while the Americans will also invest in various infrastructures.

In concluding, I would like to say that one of the positive results of this potential agreement between Canada, Mexico and the United States will be to ensure that in all three countries, which means the entire continent, the environment comes out the winner.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my supplementary is again to the Minister for International Trade.

What the minister's colleague has told us is that the Mexicans have stated publicly what their objectives are and the Americans have stated publicly what their objectives are. What we are asking in this House is would this government tell the Canadian people what its objectives are?

First of all, I am asking the Canadian minister for his objectives. Will the NAFTA agreement contain threshold provisions specifically geared to the enforcement of a common set of environmental standards and a common set of work place safety and security standards for Canadian workers?

Second, will violation of these standards constitute unfair trade practices?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I believe it was in this House that we stated what our objectives were for environmental matters in relation to the free trade agreement.

If my hon. friend would take the time, we will take him through exactly what those are. What my colleague has said is that we, on a parallel basis with the free trade agreement negotiations, embarked on a number of discussions on ways that we can assist the Mexicans with the enforcement of what are widely regarded as very good standards of environmental protection. Their problems are enforcement.

So as my colleague and the Secretary of State for External Affairs have announced, we are already proceeding on an agreement and this will proceed. That is one of a number of things that we have done on the environmental side.

I would be happy to sit down, as I know my colleague would, to make sure that my hon. friend is well aware of everything that we are doing on the environmental side.

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TOBACCO INDUSTRY

Mr. Ken Monteith (Elgin—Norfolk): Mr. Speaker, my question is for the Minister of Finance.

The export tax imposed on tobacco products has caused great concern for the tobacco farmers in my riding, the riding of my colleague, the member for Oxford, and the riding of the member for Haldimand—Norfolk. At a time when farmers should be concerned about seeding their crops, many are wondering if they will have a market to sell to at harvest time.

While this measure was implemented to counter smuggling of tobacco products, farmers in my riding fear that this tax will put them and not the smugglers out of business.

Emotions are running high on this issue. Can the minister tell me what efforts the government has made to ensure that Canadian tobacco farmers will have a market for their 1992 crop?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I appreciate the hon. member's concern and the concern of other hon. members. I particularly appreciate the fact that he and other members have made representations to me.

As the member indicated, the export tax was put in place to curtail the smuggling and the illegal entry of Canadian cigarettes into Canada. I can assure the hon. member that it was never the intention of the export tax to be applied to legitimate exports of tobacco products into other countries. I can assure the hon. member that is the case and that is the intention. He can also assure tobacco farmers that the export tax was aimed at containing and smuggling and not applied to bona fide legitimate exports of tobacco products.

• (1450)

I can tell the hon. member that discussions are ongoing with the tobacco industry and I am satisfied that we will be able to resolve it in a manner satisfactory to the producers.

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POVERTY

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my question is to the Minister of National Health and Welfare.

The recession continues to take the toll on the most disadvantaged Canadians, those who are unemployed and who are relying on public assistance.

This morning a report out of Nova Scotia documents that municipal welfare offices often arbitrarily disqualify applicants and violate the terms of the Canada Assistance Plan. Further, welfare rates for single people vary from 61 per cent of the poverty level to only 30 per cent of the poverty level.

Will the minister meet immediately with officials of the province of Nova Scotia to ensure that they comply with the Canada Assistance Plan and stop the arbitrary disqualification of people who need necessary public assistance?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I was informed about the matter my friend has raised. It has been raised in other instances. The Department of National Health and Welfare is investigating the matter. Of course, all the provinces have to comply with the rules of the Canada Assistance Plan. If there is a problem, Nova Scotia will have to be corrected.

Mr. Jim Karpoff (Surrey North): My supplementary question is to the same minister.

It is now reported that two thirds of all recipients of food bank services in Atlantic Canada are teenagers or children. What action is this government intending to take to see that children in this country receive adequate assistance and are not dependent on charity and food banks?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I said yesterday and the day before that we all deplore the fact that children particularly have to count on food banks to be fed.

Having said that, I believe the last package of child benefits we put forward, particularly for low-income workers will help and will relieve those families. Maybe it will not be able to do all my friend asks for, but there is a real willingness to do the best we can to relieve those people.

In light of the capacity we have to improve the economy we will be able to put more resources to the services of those people.

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GENERAL MOTORS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my question is for the Minister of Industry, Science and Technology.

To the obvious disappointment of the president of local 222 of the Canadian Auto Workers, General Motors employees in Oshawa voted yesterday to reject a request from the company which would have made that facility more competitive.

Can the minister tell the house how serious he considers this action to be and if he will ask CAW boss Bob White to discuss other ways of maintaining the viability of these 4,000 jobs?

Mr. Speaker: The minister may answer if he wishes, but the question is not directed to the administration of government. It is out of order.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I simply wanted to say that the matter of GM Oshawa and the difficulties it is going through now in terms of the discussions it is having with Detroit on the future of the plant is something that is very, very much a matter of concern to the government.

I have spoken to Mr. Peapples, I have spoken to Bob White and other union leaders in Oshawa. As well, I visited with Mr. Stempel in Detroit.

There is a difference of opinion between the union and the company. I hope that they will be able to resolve this in a way to support the ongoing operations of the company's plant in Oshawa.

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[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is for the Minister of National Health and Welfare. Was the minister stating his government's position when he said, and I quote the Canadian Press here: "Even if they have been asked to, francophones outside Quebec will not take part in the constitutional talks as natives will. There are a million Italians, but they do not ask for anything."

In his statement, the minister makes French Canadians and Acadians feel they are no more than one group among many others. In so doing, he wipes away an historical national policy and renounces linguistic duality. I ask him this: Was he quoted accurately?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, as a rule I do not comment on newspaper articles and today is no exception. I think that the House is a great forum and I take this opportunity to reiterate my opinion on that subject.

My position has not changed since the days when I was Secretary of State responsible for the issue of francophones outside Quebec for one year. The federal government is and will continue to be, responsible for the protection of all linguistic minorities in Canada. We have spent a lot of money on this and will continue in the future.

With regard to their participation in the constitutional talks, what I said, was that the number of people they represent does not constitute, in my mind, a criterion on which to decide whether or not a certain group should be represented, but rather that the francophone minority being represented though governments, with the Quebec government representing the francophone majority, while the federal government is responsible for the francophone minority, the representation of native groups is based on their existence as a founding nation.

I have total respect for francophones outside Quebec, and this government continues and will continue in the future to protect their interests.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a great deal of respect and affection for my Italian fellow citizens, but that is beside the point. I am not talking about minority language groups. I am talking about the Canadian duality.

I want the hon. minister to tell me whether he is stating government policy or not when he portrays the French Canadian community as nothing more than a minority like any other minority. I put the question to him.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I can only repeat what I said earlier. The francophone minority outside Quebec is part of one of this country's three founding nations, namely the francophone community, the majority of which is represented by the Quebec government, and the minority by the government of Canada.

That is my position and it reflects that of the government on this issue. The question was about representation at the constitutional table, and my answer was that it was not a matter of numbers. But I will say again, that I never comment on newspaper articles, and that is not about to change.

Mr. Speaker: The hon. member for Saint-Denis wishes to ask a supplementary question.

Mr. Marcel Prud'homme (Saint-Denis): I thank you, Mr. Speaker, for exceptionally allowing a second supplementary question.

The question of my colleague, who is probably the greatest expert in this House on such issues, was to find out from the minister whether or not he was misquoted. If he was, it is easy, let him tell us; if he does not believe he was misquoted, let him say so. But given the emotions aroused, there is enough emotion in this country and in my province, which is also his. This has nothing to do with our respect and friendship for our friends of Italian origin.

We want to know if from now on the French Canadian community is to be considered as one minority among many others. That is what my colleague asked. This article stirred emotions and the minister must tell us whether or not it represents his views and that will allay our concerns about it.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I must repeat what I said before.

The French-speaking community, whether it is in Quebec or not, is one of the founding peoples of this country. As such, it has a special status compared to other communities which are not called founding nations of Canada. As a majority, it is represented by the Government of Quebec in Quebec and as a minority, by the Government of Canada in the other provinces. Therefore it is up to the Government of Canada to fulfil that responsibility and role in the constitutional discussions and that is the position which I defended.

I have a great deal of respect for my colleague, who rarely asks questions and when he does, it is because he has some concern, I think. Therefore I repeat as honestly as I can that the French-speaking community, wherever it is, is a founding people of this country and as such, depending on its situation, must be defended accordingly. That is exactly what I did, and I will continue to do so, Mr. Speaker.

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[*English*]

AIR ONTARIO

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport.

Just over three years have passed since the tragic Air Ontario crash at Dryden, Ontario. The government has had the report of the commission of inquiry in its possession since last week.

Why has the government not tabled this report in the House of Commons? What is it that the government is trying to hide from the people of Canada?

Hon. Jean Corbeil (Minister of Transport): We have nothing to hide, Mr. Speaker. The document will be officially presented to the government within the next few days. As soon as it is presented to the government by Judge Moshansky it will be tabled in this House.

LONDON AIRPORT

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, my question is also for the Minister of Transport.

The minister should know that London airport has been designated to be annexed by the city of London from West Nissouri township as outlined in the dictum issued by the provincial minister of municipal affairs to the arbitrator. This airport represents 28 per cent of the revenue of West Nissouri.

What involvement did the federal Minister of Transport have in this provincial decision? Will the minister guarantee to the people of London the future safety and effective operation of this federal airport?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I fully appreciate the concern of the hon. member. I sympathize as an ex-municipal person with the problems that it is presenting to his municipality. But I am sure the member acknowledges that this matter is strictly a municipal-provincial jurisdiction.

The Government of Canada is responsible for the airport lands and for the safety on and outside the airport. I am afraid that he must address his concern to the province and the municipality that are responsible for municipal boundaries.

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PRESENCE IN GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of His Excellency Dr. Gyorgy Szabad, President of the National Assembly of Hungary.

Some hon. members: Hear, hear.

Mr. Speaker: I also wish to draw the attention of members to the presence in the gallery of the Committee on Regional Planning, Building and Urban Development of the Bundestag.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

REQUEST FOR TABLING OF DOCUMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): I rise on a point of order, Mr. Speaker.

Points of Order

During an answer to a question in the House today the Minister for International Trade referred to and quoted from a letter from Senator Gephardt. Under the rules of this House it is my understanding that a minister quoting from a document is obliged to table such a document, and I make that request through you, Mr. Speaker.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I will pass on the representation from my hon. friend.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps I can settle this matter. I think what the hon. government House leader is saying is that he will assure it is brought to the minister's attention. The hon. member has a completely valid point of order.

COMMENTS OF MEMBER FOR CARIBOO—CHILCOTIN

Mr. Jim Fulton (Skeena): Mr. Speaker, my point of order arises from page 8181 of *Hansard* and a statement made by the member for Cariboo—Chilcotin which is both false and dishonest.

It states, and I quote, that I had been—

Mr. Speaker: Just a minute, just a minute. Is there any need to rise on a point of order to make an accusation like that against another hon. member? I cannot accept that.

The hon. member for Skeena may want to put it in another way and, if he does, I will accept it. But that is a straight allegation of dishonesty and I think it has to be withdrawn.

Mr. Fulton: I am perfectly prepared to withdraw that, Mr. Speaker, and I hope the hon. member who made the following statement about me would do the same. Previous Speakers have ruled that personal attacks upon the person of another member are inappropriate and have ruled them out of order. The hon. member said, and I quote, that I had been "systematically betraying and slandering the B.C. share groups". I would ask that you rule on that point of order, Mr. Speaker.

Mr. Speaker: First of all, I appreciate the fact the hon. member for Skeena withdrew the offensive comment.

I would ask the hon. member to let me look at the statement to which he refers and I shall consider it. If necessary, I will call upon another hon. member, but I shall come back and I shall rule upon it.

PARTY FUNDRAISING

Mr. Rod Murphy (Churchill): Mr. Speaker, yesterday in the House I responded to a statement by the member from the Reform Party and I quoted from a document which relates to the B.C. party's fundraising which includes wills, and insurance policies.

I have the complete document and with the permission of the House, I would like to table it at this time. It will prove that we do not ask for political tax credits to be used to pay for any premiums.

Mr. Speaker: The hon. member asks for permission to table the document. Is it agreed?

Some hon. members: Agreed.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question to the government House leader is for the business for tomorrow, Monday, Tuesday, and as far as he can see in terms of next week.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, with the hopeful completion of second reading stage of Bill C-60 today, it would be my intention tomorrow to call Bill C-52, an act respecting water resources in the Yukon Territory at second reading, followed by Bill C-64, the Northwest Territories Act, for all three stages.

On Monday, we will be proceeding with the report and third reading stages of Bill C-61, an act to provide for borrowing authority for the 1992 fiscal year and on Tuesday, I would hope to call an allotted day.

Mr. Dingwall: Mr. Speaker, I make this observation as a representation to the government House leader. Certain press reports have indicated that a move is afoot with the government in terms of denying or if you will, doing away with annual parliamentary reports being tabled in the House of Commons.

The minister will well know that would require, in many instances, an amendment to the particular statute for that department. Where there is no particular statute in play other than the traditions and the customs of this House, I am wondering if the minister would take that as representation and come back to the House. Perhaps I could share with him the article in which it was printed in order to clarify any misunderstandings that may exist.

Mr. Andre: As an experienced politician, the hon. member knows that one ought not to take everything in print as gospel. I do not know of any such rumour, but as the hon. member quite rightly points out, many of the requirements for annual reports to Parliament arise out of the specific pieces of legislation which create the mandate of the agencies and so on whose annual reports are required to be tabled.

It would certainly take a bill of this House to undertake that kind of move. It might possibly be that somewhere within government there are officials looking at the cost benefit of those kinds of expenditures and so on. Certainly, before the government would ever contemplate doing something like that, we would want to have discussions with the other side of the aisle.

Mr. Dingwall: Mr. Speaker, my final question to the government House leader is: Can he indicate to the House whether or not there is any intention of the government of Canada to lay upon the table a comprehensive report with regard to the Beaudoin—Dobbie report which was a special joint committee? Is there an intention to table a report before the House rises in June?

Mr. Andre: Subject to correction, I believe the government needs to respond in some fashion. Obviously, given other events that have occurred and the discussions going on and the meetings with provinces, et cetera, the nature of the report will undoubtedly be affected by those discussions. But we will certainly meet the commitment, if it exists and I think it does, that we need some sort of report. In the meantime, we will get progress on these constitutional discussions and the contents of that report will not be as significant or matter as much.

GOVERNMENT ORDERS

[*Translation*]

CANADIAN ENVIRONMENTAL ASSESSMENT ACT

MEASURE TO ENACT

The House resumed, from Wednesday, March 18, consideration of the motion of Mr. Charest that Bill C-13, an Act to establish a federal environmental assessment process, be read the third time and passed.

Mr. Speaker: The House will now proceed to the deferred division on the motion for third reading of Bill C-13, an Act to establish a federal environmental assessment process.

Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 120*)

YEAS

Members

Anderson
Arseneault
Baker
Bellemare
Berger
Bertrand
Bird
Blenkarn
Bosley
Boudria
Brightwell
Cadieux
Campbell (South West Nova)
Cardiff
Chadwick
Charest
Chrétien
Clark (Brandon—Souris)
Cole
Copps
Couture
Crosbie (St. John's West)
DeBlois
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Foster
Gaffney
Gauthier
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Guarnieri
Gustafson
Harb
Harvey (Chicoutimi)
Andre
Atkinson
Beatty
Belsher
Bernier
Bevilacqua
Bjornson
Blondin
Bouchard (Roberval)
Boyer
Caccia
Callbeck
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clancy
Clifford
Cooper
Corbeil
Crawford
Danis
Della Noce
Dick
Dionne
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gagliano
Gibeau
Gray (Windsor West)
Grey (Beaver River)
Guilbault
Halliday
Harvard
Hawkes
Hockin
Holtmann
Horner
Jacques
Johnson
Jordan
Kaplan
Koury
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lewis
MacAulay
MacDougall (Timiskaming)
Malone
Marin
Martin (Lasalle—Émard)
Mazankowski
McDermid
McKnight
Milliken
Monteith
Nault
Nunziata
O'Kurley
Pagtakhan
Peterson
Pronovost
Redway
Ricard
Rideout
Rompkey
Saint-Julien
Scott (Hamilton—Wentworth)
Sparrow
Stevenson
Tardif
Thacker
Tobin
Turner (Halton—Peel)
Van De Walle
Vézina
Vincent
Wappel
White
Assiniboia)
Winegard
Worthy—172
Hogue
Hopkins
Hudon
James
Joncas
Jourdenais
Kempling
Langlois
Layton
Lee
Lopez
MacDonald (Rosedale)
MacLaren
Manley
Marleau
Martin (Lincoln)
McCreath
McGuire
Mifflin
Mills
Moore
Nicholson
Oberle
Ouellet
Parent
Plourde
Proud
Reimer
Richardson
Robitaille
Roy-Arcelin
Schneider
Sobeski
Speller
Stewart
Têtreault
Thorkelson
Tremblay (Québec-Est)
Valcourt
Vankoughnet
Vien
Volpe
Weiner
Wilson (Swift Current—Maple Creek—
Wilson (Etobicoke Centre)
Wood

NAYS

Members

Althouse
Black
Blaikie
Fulton
Harvey (Edmonton East)
Hovdebo
Karpoff
Kristiansen
Leblanc (Longueuil)
McCurdy
Murphy
Plamondon
Skelly (Comox—Alberni)
Taylor
Barrett
Blackburn (Brant)
Breaugh
Gérin
Heap
Hunter
Kindy
Langan (Mission—Coquitlam)
MacWilliam
Mitchell
Parker
Rocheleau
Stupich
Waddell—28

PAIRED MEMBERS

Nowlan
Siddon

[*Translation*]

Mr. Speaker: I declare the motion carried.

Bill read the third time and passed.

Mr. Blackburn (Jonquière): On a point of order, Mr. Speaker. I abstained from voting, but I wish to say that I think that the environment, which is a split jurisdiction with federal primacy, must remain so, as was recommended in our report. However, at this stage of the constitutional negotiations, I consider this bill to be an irritant and inappropriate at this time.

Mr. Gérin: Mr. Speaker, I believe that a member who is opposed to a bill must vote against it and not abstain.

[*English*]

Mr. Speaker: The hon. member may believe it but it is not a rule.

[*Translation*]

Mr. Della Noce: On a point of order, Mr. Speaker. I rise in this House to ask you where is Lucien, the father of this bill?

* * *

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, be read the second time and referred to the Standing Committee on Finance.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I must say I am somewhat disappointed to be standing in this House once again to speak against the latest government budget, in particular when it comes to the transfer payments to the provinces.

The reason I say that is, as you know Mr. Speaker, if we are to follow the trend and look at the graphs as they relate to transfer payments for both post-secondary and health, by the year 2004 there will be no money going from the federal government to the provinces in the areas of post-secondary education and medicare.

• (1540)

Mr. Speaker, as you probably know, the issues of medicare and education have been identified by the Canadian people as the two most important issues and the issues that are closest to their hearts. The reason is because one of those issues, the question of education, deals with the future of Canadians and the other issue deals with their very existence, the issue of health and health care.

On the subject of education *per se*, Canada has spent perhaps more than any other country in the world. As a matter of fact, we spend approximately $50 billion on education. That includes all levels of government, federal, provincial and municipal.

When we look at the return on that investment, unfortunately we find it simply is not there. At no time has one level of government taken full control over the issue of education and rightly so because the question of education has always been a joint venture, a partnership between all the different levels of government. They have come together on this issue. The federal government deals with the transfer payments for education. It spends money on education through transfer payments and the provinces match those funds. From time to time they spend more and sometimes they spend less. The municipalities deal with questions of education at the primary and secondary level.

When one of those partners who is fully responsible knows full well that our education system is not meeting the needs, when one of those partners backs off, it really comes as a disappointment to the other partners. Like any other partnership, when one of the partners is not fulfilling his or her commitment, the partnership starts falling apart. That is exactly what is happening here in the area of education. More and more the federal government is backing away from its responsibility in the field of education.

There are two segments to it. First, historically when the federal government was investing money in the area of education in terms of transfer payments, it was giving that money to the provinces which in some cases were

not spending that money on education. They were spending it on other issues. That was one problem. In the past the federal government should have told the provinces that every dollar it was giving to education, it wanted to make sure that dollar was spent on education. It did not do so. As a result of that we have seen a deterioration in terms of investment at the provincial level in the areas of education.

At the present time, not only is the federal government not telling the provinces how it wants them to spend the money when it comes to education, the federal government is backing off on its commitment. Therefore, we are seeing less and less government funds going into the area of education.

That means that over the next decade or so, about 65 per cent of all jobs that will be created in Canada will require at least a grade 12 education. We are going to see a situation where we have less and less people who are equipped to enter the work force and be fully productive in our society.

Why do I say this? The statistics speak for themselves. Right now there is over a 30 per cent dropout rate at the post-secondary education level. In other words, one out of every three youths does not finish high school for whatever reason. That is one cause for alarm.

The other cause for alarm is the terrible question of illiteracy. The illiteracy rate here in Canada is extremely high. Approximately 38 per cent of Canadians are functionally illiterate. Compare that to a country such as Japan which has an illiteracy rate of about 5 per cent or to Germany which has an illiteracy rate of approximately 12 per cent or so. The conclusion is that there is something fundamentally wrong in terms of our society and how we deal with the question of illiteracy and the question of education.

It is interesting to know that not only is the question of education so important and so alarming when we look at the statistics, but at the same time, it is important when we look at the percentage of unemployed people. For ask instance, it has been found that if we have a group of people who have university degrees, we are likely to find that the unemployment rate is something around 10 per cent, which is in line with the national statistics. However, when we look at people who have a high school level of education, we find that the percentage of unemployment is somewhere around 16 per cent to 18 per cent. When we look at the lower end of the scale, i.e., people who do not have a high school education, the percentage of unemployment in that particular segment of the population is somewhere around 24 per cent or 25 per cent.

It is not really difficult to see the correlation between a good education and good jobs. The more highly educated the work force or the population is, the better jobs they will get and the less unemployment we will find.

Having said all of that, there is also a lot to say about the health of the population. If a student, regardless of his or her age, goes to school hungry, it is highly unlikely he or she will learn as much as other children might learn if his or her stomach is full. The reason I say this is because we are finding more and more in schools all across the country that we have children who are going to school hungry.

That brings me to the second segment of my discussion and that is the transfer payments relating to health care, social assistance programs, social services and everything else. Every time the federal government cuts a dollar from the transfer payments to the provinces, do you know who feels it? The child on the street feels it. It is because the provinces in turn unload part of their responsibilities on to the municipalities. By unloading part of their responsibilities on to the municipalities, we are finding that more and more municipalities are unloading their responsibilities on to charitable organizations, non-profit organizations, church groups and special interest groups.

As a result of that, every level of government seems to be passing on its responsibility to someone else. Everything nowadays is falling on the school system and on the backs of the teachers in particular. Our teachers are now finding themselves as not only being teachers but also social workers, nurses, family planners, psychologists and food bank operators. In many of the urban centres in our society that is the kind of thing we are seeing on a daily basis.

What that tells me is that not only are we failing to do our job in the most effective way when it comes to dealing with the question of education, but we are also not providing the tools necessary for the people to do the work. We are not providing them with the necessary support that they deserve and they need.

• (1550)

While this particular budget *per se* did not specifically speak in terms of transfer payments, what we have seen in a way is a continuation of previous budgets. If we were to look at the budget of last year and the year before, the same thing happened.

What we are seeing is a decline on a regular basis in the area of transfer payments to the provinces. Those cuts are going to affect provinces such as Ontario, Alberta and British Columbia.

That brings me to the province of Ontario. Everything functions from a tax base. Everything is a function of the tax base. Not only in this province do we see that the transfer payments from the federal government are diminishing, but we also see the tax base shrinking.

Simply put, this province has been hit perhaps more than any other province when it comes to the shrinkage of its industry. It is partially because of the unfortunate policies of the government in the province of Ontario that does not take into consideration the need for business in order to survive, to provide jobs and employment. It is also because of the unfortunate recession that has hit at a most inappropriate time.

Looking at those two ends one asks: What can be done? Every time the provinces, the municipalities, the school system or any segment of our society fails the people, we as the federal government have the mandate to step in.

That is the thing that makes us so different as Canadians. We always seem to be on the lookout for those who need our help and assistance. I say this because we do have a crisis situation in our communities. We have a lot of children going to school hungry, people lining up in front of churches and food banks. There are a lot of people who lower their heads and look to charitable organizations for services and so on.

Seeing those kinds of situations, I cannot help but think that we must be doing something wrong. Somebody somewhere somehow in our society is doing something wrong. We as a federal government have the responsibility to take care of our people. We have to find out which level of government is not doing its work.

If we are saying that this government is doing a great job and putting the fundamentals in place and making sure that we have all of the special rules and laws that businesses might need in order to survive, then something else must be broken. It is up to this government to step in and find out what it really is that is broken.

When I look at what the government is doing in the area of transfer payments for education, I would say that the federal government is perhaps more guilty than the provinces, more guilty than the municipalities, more guilty than anyone else. In a way it is the main controller. It is the one sending the signals.

When the federal government sends the signal to the provinces by cutting transfer payments, surely the provinces are going to cut the transfer payments to the municipalities in the areas of education, social services and everything else.

As you can see, it is one problem that has triggered a series of other problems. If we are really serious about moving toward the future and creating a future for our children that is prosperous and good, that is maintained and contained, I suggest that we have to look at the fundamentals.

Those fundamentals are the investment in the futures of those people in the areas of education and health care. I cannot say enough on that. In particular, day after day we see people lining up in front of food banks and churches, people turning to special interest groups to get the support that they deserve and need.

With that I want to end with the statement that the government has a responsibility not only to reinstate those transfer payments, but also to make sure those transfer payments are increased with the cost of living as well as with the rate of inflation.

This is an important subject and I would like to bring to the attention of the House that unless we invest in the area of education there is no way we can solve our other problems. Unless we invest and combat illiteracy there is no way we can solve our other problems.

It does not matter whether we talk about unemployment, lack of productivity, lack of business, whatever. It does not matter how you slice it. The answer to all of that is education and education and education.

There is no question about it. If we have a properly educated workforce we can deal with just about anything. The pressure on our social programs will ease. The pressure on our health care system will ease. Political pressure will ease. All of those pressures seen on a daily basis will ease off.

Simply put, with an educated population we can do miracles. That will not only put Canada in the best position to be on the leading edge in the world community, but it will also ensure that Canada will remain on that leading edge.

I was watching a program about a week or so ago on television. It was on *The Journal* I think. The president of one of the Asian republics was asked about the difference between Canada and Singapore, or one of those countries and to compare the difference between North Americans and the Asian population. He used the correlation that the people in his country are like a high compression engine, while the workforce in North America is like a low compression engine.

I thought that correlation between the two was really interesting. If anything he was giving us a signal that while we might be great at creation and great at coming up with good new ideas, what is needed to be done is to streamline the system and make it efficient in order to improve the area of productivity.

I began by saying the only way to improve productivity is by increasing investment in education. What we are seeing right now is a lack of investment in the area of education.

The Acting Speaker (Mr. DeBlois): Questions and comments. The five hours of debate are now expired. The length of speeches are now maximum 10 minutes without a question and comment period.

Mr. Blaikie: Do we still have questions and comments, Mr. Speaker?

The Acting Speaker (Mr. DeBlois): Do you have a question?

Mr. Blaikie: I was going to ask the member a question.

The Acting Speaker (Mr. DeBlois): The hon. member for Winnipeg—Transcona for a question or comment.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, the member has dwelt at some length on all the social policy questions that attend the whole question of transfer payments to the provinces, et cetera, and the way in which the federal government is cutting back on the provinces.

The member only came to this House in 1988 and I wonder if he is aware that the first unilateral cutback in federal transfer payments to the provinces happened under a Liberal government in 1982.

One of the things that has always disturbed me, amused me, and irritated me at times, is the fact that this trend toward the unilateral reduction of federal commitment in cost-sharing programs began under a Liberal government.

At the time the Conservative Party, when it was in opposition, railed against this unilateral violation of the federal-provincial agreement. It was thought to be a heinous act against co-operative federalism and, of course, it was. The only thing is that as soon as it came into power, no sooner than had it been in power, the then Minister of National Health and Welfare, the member for Provencher, one of his first acts was to unilaterally reduce EPF.

• (1600)

So I find it odd that Liberals and Conservatives should go at each other in this way when both are guilty of this, albeit the Conservatives, if you want to look at the world numerically, are more guilty in the sense that they have done it more often and that they have done it more severely in the sense that doing it more often adds up.

The fact of the matter is that the principle of the federal government unilaterally reducing federal transfer payments to the provinces was one established by the Liberal Minister of Finance, who now sits in the other place and who shall go unnamed.

Perhaps the Liberal Party has changed its mind. Perhaps it has repented of its earlier disposition toward federal-provincial programs. If that is so, we would like to see a confession, some repentance and then the member could speak freely about this new-found approach by the Liberal Party on federal-provincial fiscal arrangements.

Mr. Harb: Mr. Speaker, I do not want to dwell on the past, but I want to talk about the present, the province of Ontario for example. I do not want to go back as far as 1981 or 1982 because it does not matter how far back I go, I probably would not find that we have ever had a socialist government at the federal level to compare the different governments and what they have done.

I can say this. The NDP government in Ontario is one government I can speak about because only just a year or so ago we had an election. It promised to increase funding for education by around 60 per cent. What it has done is it has increased tuition fees time after time after time after time. It has promised to give the people of Ontario public automobile insurance. And it reneged on that. I hate to do this, but he put me in a very awkward position and I have only to compare apples and apples.

What I cannot understand is that in the province of Ontario, especially in this particular region, hospitals are closing beds at a time when we have people on waiting lists for operations. Looking at those two areas where the hon. member is blaming some action that was taken by a former government in the 1980s or 1970s or 1960s, I want to bring to his attention something that happened as recently as two months ago where in the province of Ontario hospitals closed beds.

Surely the hon. member is not going to be able to defend the action of the NDP government in Ontario when it comes to health care and health care commitment, nor is he going to be able to defend the action of the province of Ontario when it comes to education.

I want to say this for the record. When the Prime Minister of this government made public his initiative on learning well, living well and the need for national objectives and so on in the area of education, that was something which my party supported wholeheartedly, the notion of national objectives for education and everything else.

Out of all the provinces in Canada, which province do you think was out in full force to oppose any kind of a national dialogue on the question of education? Guess. It was the province of Ontario.

The record speaks for itself. This is the only government we can talk about in terms of its track record.

One final word for the record, take the deficit as another example. We have a deficit let us say on an annual basis which is close to about $30 billion. Compare that to the province of Ontario. In one year, it jacked up the deficit to $11.5 billion which, per capita, probably is the highest deficit of any other state anywhere in North America.

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I just want the member's reaction to this point. The only thing more outrageous than what he just said was the record of the previous Liberal government in Ontario. This was a world record. In a matter of six weeks, not a year, it took the province of Ontario with its treasurer who said that there was a surplus and that surplus became a $225 million deficit. Figure that one out.

Mr. Harb: Mr. Speaker, I am talking about the difference between a deficit of $30 billion and a deficit of $11 billion. Certainly they cannot blame the former Liberal Government of Ontario, which I am not defending here, for a deficit of $700 million and then turn around and incur a deficit of $11.5 billion.

Day after day after day we are hearing of closure after closure after closure. What is the province of Ontario doing about that? The NDP premier of Ontario went on national television to tell the people: "I want to hear your views about what I should be doing". My God, any one of the constituents in my riding of Ottawa Centre can do that and can do a better job than asking the people: "Tell me about what I should be doing", or saying: "I am going on national TV in order to seek your views on what the province of Ontario should be doing".

Surely the people deserve better than a premier going on national television and saying: "I am interested in finding out your views about how I should be running my business". Any constituent in my riding could do a better job than that.

We can talk about the record as much as we want, but the bottom line remains that they can turn around and put the blame on anybody they want; they can still tell the people: "Oh, sorry, it is beyond our control".

The province of Ontario is blaming all its problems on international situations, on globalization, and on the fact that we have to be competitive, which is good, but what are they doing about it in the province of Ontario?

Certainly, if we look at the two areas, that of health care and education, the Government of Ontario does not

have a record that it can be proud of in the two years it has been in power.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, it is always interesting when people from Ontario, particularly the member, talk about the premier of Ontario going on national TV. I know that Ontarians have a reputation for thinking of themselves as co-existent with the country, but I am sure the premier of Ontario only went on provincial TV and he did not command air time in British Columbia. I would hope that in the future, people from Ontario, and particularly the hon. member, could refrain from the way in which they sometimes equate talking to Ontario with talking to Canada.

The other thing I might mention just before I get into the substance of the bill is that the member in his diatribe against the Ontario NDP government talked about the Ontario NDP government raising tuition fees time after time after time after time. Four times, Mr. Speaker. I could see the member's nose growing every time he uttered the word "time". Surely to God you cannot raise tuition fees, even if you wanted to, four times in two years. This just goes to show the exaggeration. The member must be a product of some educational system other than the excellent one that they have had in Ontario these years, or otherwise he would be able to count better than he was doing.

The Liberals cannot have it both ways. They cannot say that on the one hand everything that is happening in Ontario is the fault somehow of the Ontario NDP government and then, out of the other side of their mouths, talk about the free trade agreement when they talk about it. They do not like to talk about it much these days, but they do talk about it from time to time. Out of the other side of their mouths they cannot talk about the effect of cutbacks in EPF, for instances, to the provinces and pretend that that does not somehow affect all provinces including the Government of Ontario. On the same occasion in the House of Commons the member lamented cutbacks to EPF and the effect they would have on the provinces' ability to deliver programs. Yet, when it comes to talking about the ability of the Ontario NDP government to deliver programs, somehow that analysis fades, that analysis evaporates into the partisan political air, so to speak.

• (1610)

The fact is that these cutbacks in Established Programs Financing affect all provinces, and they have severely affected Ontario in particular. Ontario is not protected in the same way as other provinces are by at least having some form of equalization payments. For the longest time Ontario has participated through the equalization payment scheme by supporting other provinces. Because Ontario has been hit so very hard by the Canada-U.S. Free Trade Agreement, it now finds itself in a position where it is being asked in this bill to continue for another two years to play the role economically in Confederation that it has played historically, when the economic conditions that pertain to Ontario have changed drastically.

These are all things the member could have said if he had wanted to be more comprehensive and if he wanted to be less political in the negative sense of what it means to be political and help people to understand just exactly what is going on in his home province and how difficult things really are.

* * *

[*Translation*]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that messages have been received from the Senate informing this House that the Senate has passed the following bills without amendment: Bill C-5, an Act to amend the Aeronautics Act and to amend an Act to amend the Aeronautics Act; and Bill C-15, an Act to provide for certain matters respecting official languages, employees' pensions and labour relations in connection with the transfer of certain airports.

* * *

ROYAL ASSENT

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that the following communication was received:

Rideau Hall
Ottawa

March 19, 1992

Sir,

I have the honour to inform you that the Hon. Charles D. Gonthier, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, March 19, 1992, at 4.00 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to His Excellency the Governor General desires the immediate attendance of this honourable House in the Senate Chamber.

Accordingly, Mr. Speaker with the House went up to the Senate Chamber.

And being returned:

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that when the House went up to the Senate chamber, the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-5, An Act to amend the Aeronautics Act and to amend An Act to amend the Aeronautics Act—Chapter 4.

Bill C-15, An Act to provide for certain matters respecting official languages, employees' pensions and labour relations in connection with the transfer of certain airports—Chapter 5.

* * *

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-60, an Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, be read the second time and referred to the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): 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 Ottawa—Vanier—Linguistic Minorities; the hon. member for Cape Breton—East Richmond—Regional Development; the hon. member for Okanagan—Shuswap—Agriculture; the hon. member for Ottawa West—The Environment; the hon. member for Renfrew—Nipissing—Pembroke—Emergency Preparedness College.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, I was in the process of responding in part to the comments of the hon. member for Ottawa Centre when we were asked to go to the Senate for Royal Assent. One of the remaining things I wanted to comment on was the way he thought it irrelevant that the Liberals were the first to unilaterally reduce federal transfer payments to the provinces. He thought this was just something of historical interest but did not have any relevance to the moment. I think this is a profound mistake. It is perhaps just a self-serving analysis but if it is held sincerely, it is a profound mistake.

I was trying to point out that when people are concerned about certain policy trends, if they are interested in changing those policy trends then they ought to know where those policy trends come from. The fact of the matter is that the unilateral reduction of federal transfer payments to the provinces has its origins in the Liberal government of 1982.

That is important. It is important in a number of other areas as well. The people are concerned about the free trade agreement. It would probably be useful for them to know that the free trade agreement has its origins in the Liberal government of that day when the royal commission set up by the Prime Minister of that time and headed up by a former Liberal Minister of Finance made the initial recommendation for a free trade agreement with the United States of America.

It is important if people are concerned about the effects of deregulation and transportation. They see the effects of deregulation and transportation and the negative consequences of that deregulation whether it is with respect to airlines, the current controversy about Nationair, or the fact that soon we might have only one carrier when all this deregulation was supposed to produce competition rather than monopoly. They look at what has happened to our highways as a result of deregulation of the trucking industry, et cetera.

It is important if people are against this policy to know where this policy came from. Where did it have its beginnings? What is its origin? Its origin is in the dictum of a Liberal Minister of Transport who was the Minister of Transport in the Liberal government of 1980 to 1984 and who now sits on the opposition front benches in the person of the member for Winnipeg South Centre.

I say that if people are concerned about certain policies, then we have a responsibility in this House to be truthful and accurate in what the historical origins of that policy are when it comes to deregulation, the free trade agreement, and when it comes to unilateral reductions in federal transfer payments to the provinces as

well as a lot of other bad policies that were picked up, accelerated and in many cases made worse by the Conservatives. These policies had their origins with the Liberals.

One policy that did not have its origins with the Liberals as far as I know was the goods and services tax. This bill is very much about the goods and services tax. This is the other element of this bill that needs to be touched upon at this time. What this bill does in permitting the federal government in facilitating the collection of provincial sales tax by the federal government is to enable the federal government not to do just a harmless "we will help you out" kind of thing, tax harmonization, or whatever they want to call it.

The fact of the matter is that this bill is designed to help the federal government put pressure on the provinces to harmonize their sales tax systems with the goods and services tax. The federal government is saying to those provinces, the economies of which are bleeding as a result of cross-border shopping: "If you want us to stop that bleeding, if you want us to collect the provincial sales tax at the border, then what we want from you is a commitment to implement the harmonization of your sales tax system with the goods and services tax".

Therefore, many of the provinces are now run by governments the members of which ran in elections that were committed to non-harmonization of the GST with the provincial sales tax. They are now put into an incredible bind. They are being blackmailed by the federal government, a federal government which for its own purposes is willing to continue to see the blood letting go on.

It is willing to continue to see the various provincial economies being bled by cross-border shopping rather than doing the right thing and saying, given what this bill will enable it to do, to the provinces: "We are willing to collect your provincial sales tax regardless of whether or not you harmonize with the GST". That would be the right thing to do because it seems to me that the federal government should not use its ability to collect this tax, facilitated by this bill, as a lever against provinces which are responding to the democratically expressed will of their own people with respect to whether or not those provinces should harmonize their tax system with the GST, and yet that is really what is going on.

• (1630)

The solution, of course, lies in none of this. The solution lies in getting rid of the GST in the first place. The solution lies in realizing that the GST has been a profound mistake with respect to tax fairness, in the way in which it places an extraordinary burden on the working poor and the middle-class in particular who are bearing the brunt of this tax and who, even before this tax, bore the brunt of paying the bills in this country. It is a profound mistake in terms of the over-all effect of the tax on the economy and particularly with respect to cross-border shopping and the fact that cross-border shopping has increased so significantly since the introduction of the GST.

The Minister of National Revenue likes to hide behind figures which simply show the number of trips that are made, although they are up significantly, but the figure that he does not like to look at very closely is how much more people are buying while they are down there. This shows that the increase in cross-border shopping is in the neighbourhood of 50 per cent or 60 per cent. It is a serious problem that all border communities and even some non-border communities are concerned about. It is part of a general malaise, if you like, that I think has been created in part by the free trade agreement.

The free trade agreement is not just an agreement, in spite of what the Prime Minister likes to say. It is not just a commercial agreement that we can cancel in six months if we like, although I think we should cancel it and an NDP government would cancel it. The fact of the matter is that it does tend to enshrine a particular world view. The world view that it enshrines is that there is no border.

Now if there is no border for corporations and if indeed there seems to be no border for governments, because we find more and more examples of provincial governments and even the federal government cross-border shopping, then what is the average Canadian to think? Is he or she expected to support the Canadian economy while their own governments do not?

In other words, the free trade agreement gives a particular kind of moral sanctity or moral acceptance to something which would have previously been morally—

The Acting Speaker (Mr. DeBlois): Your time is over. Resuming debate.

Mr. Breaugh: On a point of order, Mr. Speaker. I appreciate that you are now into a period of time where debates are limited to 10 minutes. I appreciate that you just called one of our members to order as his time had expired, but I want to point out to you, Mr. Speaker, that from this corner of the Chamber there is no clock where the members themselves could have any indication at all of what the time period is. I think that is most unfair and I would really like the Chair to take that into consideration when calling members for time.

[*English*]

Hon. William Rompkey (Labrador): Mr. Speaker, I do not know how many times we have to rise in this Chamber and talk about the education system in this country. We seem to have been doing it year after year after year. Again today we have to look at what has happened to transfer payments.

My colleague from Winnipeg—Transcona is quite right that the cutback in transfer payments did not start with the present government but indeed started before they took office. That is not to say that it is right. It is not right. It was not right then. It is not right now.

I am not sure it is useful to analyse the past and look at what has happened in the past. The fact that the trend has continued is it seems to me more shameful rather than less. The effect of the cutbacks which indeed did start in the late 1970s and have continued up to the present time is disastrous not only for the whole country but particularly for disadvantaged parts of the country.

First of all my colleague from Ottawa who spoke earlier talked about the effect on secondary schools that have something like a 30 per cent drop-out rate all across the country.

This is what transfer payments are used for. Transfer payments to the provinces you can say go directly into secondary schools and help young people in schools to get the kind of high school education that they need.

The capping in a sense is a cutback. If you cap you are saying to the provinces they are not going to get the increases expected and therefore those funds must be found in their own meagre and dwindling resources. A cap is in effect a cutback. You cannot stay still. You either go ahead or you go back. The effect of a cap is the same as a cutback. It is a cutback to secondary schools.

On top of that the provinces still have a cap on Established Programs Financing. In addition to the cut on transfer payments there is a consistent cut in Established Programs Financing which goes directly into post-secondary education and health. That is used to fund universities, community colleges, and post-secondary institutions. Those are finding the pinch and still find it today.

Third, the government in the budget made very little change in the Canada Student Loans program. It changed around the edges somewhat. It tinkered with the pay back of interest payments. But essentially it did not enrich the Canada Student Loans program. It gave no incentive and no help to young people who do not have the wherewithal to get a post-secondary education and need it desperately.

This is a time when training should be at the top of the agenda in this country and indeed is at the top of the agenda in every developed country in the world. It is at the top of the agenda in the United States. George Bush wanted to call himself the education president. It is at the top of the agenda in Great Britain. Margaret Thatcher, before she left, gave top priority to education and training.

If you look around the world, at Japan, Germany, countries that are making it today in the competitive global environment, they are putting training at the top of their agenda. You cannot have training without the foundation of education.

This is a time when you must put training at the top of the agenda. What is this government doing? It is talking a good game. It is setting up a national training board to give emphasis to training in this country.

But what happened after the budget came out? The co-chair of that national training board, Mr. Gérard Docquier, formerly a prominent, eminent and well-known and well-respected national president of the steelworkers in this country, criticized the government that appointed him to that board. And rightly so. What

this government has done is pay lip service to training. It has set up the national training board and brought in Bill C-21 to enrich the Unemployment Insurance Act to which it is no longer contributing. It is paying people who have unemployment insurance to get training, but if you do not, if you are in the work force and you need upgrading to take a new job, if you are about to be laid off and you want to upgrade to get new skills to take a new job, you are left out in the cold. Why? Because there is a hundred million cutback in this budget in the Canadian Jobs Strategy. A hundred million less in training dollars in this present budget.

Now that is on top of a hundred million less in the last budget. There was $200 million cut back in the Canadian Jobs Strategy Program for training in Canada for people who are on the job, for people who want to improve their skills, for employers who want to train their employees and cannot afford to do it themselves.

• (1640)

The government talks a good game in setting up a national training board, appointing eminent people to it and then it cuts the money. It consistently cuts the money in this country available for training, in the middle of a recession when companies cannot afford on their own to put their money into training and development. That is the kind of attitude we get and it is hypocrisy of the highest order. Countries around the world must be laughing at the kind of strategy that Canada is pursuing.

Who does this hurt most? It hurts most the disadvantaged in the country, whether they be individuals or whether they be regions. Let us take women, for example. In breaking through the glass ceiling, education and training has to be a top priority for any woman. Seventy per cent of all part-time students in this country are women. Single mothers who want to support themselves and who want to have a respectable place for themselves and their children in this country have to get education and training if they are really to have a life of their own and to become independent.

That is who this series of cutbacks affects. It affects women in this country and it affects single mothers particularly. Who else does it affect? It affects native people. I might point out that on top of the cuts in transfer payments and the cuts in Established Programs Financing, the government also, a couple of years ago, capped the funds for post-secondary education for natives.

Natives are in exactly the same boat. If they are to have equality in this country, equality of opportunity, there has got to be funds provided for them for education and training. Unless they can get through high school, unless they can get through community colleges, unless they can get university degrees, there is no way the native people in this country are going to compete on an equal footing.

This budget and the last budget affects the disadvantaged. It affects disadvantaged regions because even a region like Ontario now is having difficulty in this country. We heard the debate earlier today about the difficulty and what the government of the day in Ontario has had to do. How much more difficulty is the government of Newfoundland finding itself in? We depend more heavily than anybody else on transfer payments. So places like the Atlantic are doubly hurt by this budget.

We say this again. I do not know how many times we have had to say this in the House and I do not quite understand why the policy is so. Surely, on the government side of the House, there must be the same opportunity to learn about what is needed, to learn about what is going on in other countries, to learn that education and training has to be a top priority in 1992. This government refuses to follow the practice in other developed countries in the world with which we are competing in the global economy, refuses to give education and training a priority. Not only that, but it consistently, in budget after budget, cuts back on the amount of funds available for education and training.

We are going to vote against this bill when it comes forward. We are going to keep saying what we have been saying today as long as we have to up to and until the time that we become the government of Canada. Then we have to rectify the mistakes that the hon. member for Winnipeg—Transcona referred to in his remarks.

[*Translation*]

Mr. Kindy: Mr. Speaker, on a point of order. I just realized that I was in the House during the vote on Bill C-13, that I did in fact rise, and that apparently, I am not on the list as having voted against the bill. So I would appeal to your wisdom in having this problem cleared up, because I was in the House at the time. The hon. member for Longueuil can testify to that, and I just spoke to him. He saw me rise, and I am not on the list. I leave this to the discretion of Chair.

The Acting Speaker (Mr. DeBlois): Since the hon. member raised the matter in the House, his request was heard and is now part of the record.

Mr. Kindy: Mr. Speaker, I want to be on the list of those who voted against the bill, since I was in the House. The procedure seems rather outdated.

The Acting Speaker (Mr. DeBlois): Your request was duly noted, and the Chair will take appropriate action, if necessary.

The hon. member for Bonavista—Trinity—Conception.

[*English*]

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, this is a very serious subject. I want to speak on this and at the outset to say how much I appreciated the comments from the hon. member for Labrador who has a lot of credibility in this area. He is a professional educator and is well known in Newfoundland for the work he has done on education. I may say that his family is from a group of educators. His brother is a doctor at Memorial University whom I know quite well. You might say that the entire family has been dedicated to the education of Newfoundlanders.

I appreciate the conviction with which the hon. member spoke. I wish I had the wide range of knowledge that he has on the subject. I detected in his delivery a great and compassionate concern for those who are being educated. We all share that with him. We could not substantiate it as well. It is with conviction that we speak on the lack of appreciation. I do have a certain compassion for the budget difficulties.

It is after all a question of priorities. We, as a country, have been told time and time again that there are solutions to the problem of competitiveness, which is a buzz word but it is a very important word these days. In order to be competitive, we have to do a number of things. We hire Harvard professors to tell us this. We do government studies to do this. The answer is always the same. We know what the problem is. The problem is that we need to be focusing more of our attention or giving better priority to the scientists and to science and technology, research and development. We need to be focusing more on education.

Anything that I have seen in the last year or so on the subject leads me to believe that somebody is not paying attention to the requirement to focus our attention and to look at the priorities.

We are looking at 5 million young Canadians who every year go to school in primary and secondary education. We are looking at 68 universities. We are looking at close to 530,000 post-secondary education students and we are looking for, as the hon. member for Ottawa Centre said, somewhere in the vicinity of a $45 billion to $50 billion expenditure. That is roughly the same that we spend on health. That is a large chunk of money if you look at the money as a total allocation.

I see that as an input, but what do I see as an output? I see, as the hon. member for Labrador mentioned, a 30 per cent high school drop-out rate in secondary education. For 10 young Canadians who start grade nine education, seven of them will graduate from high school. That is only part of the problem. For those seven out of the 10 who graduate, only 72 per cent of them will go on to formalized training, not just post-secondary education in a university, but apprenticeship training or vocational colleges.

You may say that 72 per cent is not bad. It is greater than 50 per cent. When you compare that to the United States, the equivalent number is 87 per cent and in Japan, it is 92 per cent. We are really off the mark on that one.

What else do I see? I see a reduction in the amount of money we are putting in research and development. We have one of the lowest inputs either per capita or as a percentage of our GNP. No matter how you look at the statistics, our record is far from brilliant and it is getting less brilliant every year.

• (1650)

What are we doing with education? With this dismal record of high school drop-outs and a very poor record compared with our competitors in the United States and Japan—and I could quote other statistics for Germany, Sweden and other parts of the world, but I think I make my point on that—we are cutting back on educational allowances to those provinces in particular that can least afford to absorb that kind of a monstrous cut.

Two or three speakers ago talked about the province of Ontario. There is no question but that it does have a problem and I sympathize with it. However, in the province of Newfoundland where I come from transfers to the provincial government make up 50 per cent of the budget. If money is cut from education it has to be found somewhere, particularly when the money in education is grouped with another high priority item like health care. They do not give a lot of hope for either the future of competitiveness or the future of health care.

I would be prepared to get into a debate in this House any time about what the priority items should be in our country. But all along one has been health care. We have had the best record in the world in health care. In education, I do not think it has been quite as good, but we have always had Canadians whom we could have been proud of in the field of education, in science and in technology.

I want to give some idea of how proud that record was. Getting into the real world and the world that I know a lot more about than education, I recall as a naval officer the innovations that were brought about by scientists who were associated with the navy during World War II and post war. They resulted in the development of some innovative features that are being used by all countries. I will give a couple of examples.

First was the development of a variable depth sonar. It allowed a sound transfuser to get below the sound gradients that are always present in the water. Essentially it allowed submarines to be detected at 10 to 20 times what they normally could be detected at with a sonar mounted in the hull of the ship.

That was developed by two Canadian scientists who worked for the naval research establishment during World War II. I am very proud that I happened to have known the family of one of those scientists. The variable depth sonar from World War II took roughly 10 years to develop. The prototype was developed, tested and put into production by Canada. Practically every navy of the world, even the Soviets when they were our fiercest enemy, employed exactly that scientific knowledge and prototype to conduct their naval operations.

Similarly with helicopters at sea. The haul-down mechanism was used and is used in practically all navies now. The rapid securing device for a helicopter that operates from a smaller ship than an aircraft carrier, a frigate or a destroyer, was totally designed, conceived, tested, trialed and produced in Canada.

Those are two examples of the things that made us competitive with the rest of the world. We were more than competitive; we were winners in that regard.

With the record we have examined, what we have seen in the last five or six years, and what we project for the future, I wonder if we will be able to have politicians who can stand in the House of Commons and boast about these kinds of achievements? I fear that the answer may not be in the affirmative.

I do not like this bill. I do not like the reduction in moneys, and I do not like the way the money for provinces that can least afford to absorb the costs is being cut back.

As a final note, this is a very timely subject for me because I met this morning with a professional educator from Newfoundland. He was here to speak as a Newfoundlander but not on education in Newfoundland. He has a Ph.D. in education and he talked about education from a federal viewpoint. Mr. Speaker, if you think the hon. member for Labrador and I are concerned by the presentations we have put forward, I can assure you it would seem very mild compared with the concern shown by the gentleman and his colleague in my office this morning. Both of them are on education boards, are professional educators and are involved day after day after day. It is their livelihood. They are very concerned.

I would ask the government to reconsider, refocus and repriorize so that education and health gets more importance.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, like my colleagues from the east who have spoken before me, I have to say that I have a lot of concern as to the contents of this bill as they relate to transfer payments that would be going to the east and Established Programs Financing in health and in post-secondary education.

When we talk about anything to do with equalization in transfer payments, anyone who comes from the east knows that equalization payments are very important to the eastern provinces. The percentage of their budgets is extremely high in terms of how they pay for the services that each provincial government provides to its people in the provinces.

This bill wants to change the base year for those payments from 1987–88. They calculate it over five years. They want to make the base year for two years only, 1992–93. The government says that it is because the Department of Finance wants to review the legislation on equalization and the transfer payment system and that two years should be enough time. But there is no time limit to this review. It seems to be in the hands of the officials of the Department of Finance.

We know that there are very troubled times in Canada presently. I am sure the revenues the government is receiving from the Canadian people in terms of income tax and in terms of distributing back the wealth it acquires through the taxation system should be greatly reduced this year.

I would prefer to see some type of action by this government to say why. If people were working taxes would be coming in; they could pay income tax. We are paying out far more in unemployment insurance and in social assistance under the Canada Assistance Plan than was anticipated. A couple of years ago we had a Minister of Finance who kept talking about the overheated economy in Ontario, letting interest rates go higher and having to do something about the overheated economy.

What do we have now? Ontario is almost a have not province. Forget who is in power. That was referred to earlier in debate here. The former Minister of Finance, the now Minister for International Trade, without showing us the documents, says we are going to do great under a North American free trade agreement. He is the one who was saying a year or two ago that we had to bring in legislation to cool down the overheated economy in Ontario. The government capped the Canada Assistance Plan *vis-à-vis* the amount of growth in Ontario for social services and particularly social assistance.

I have a lot of concern about this bill. I know it will be going to committee. I think there should be a lot of study done. We on this side have provided the government with a package of trying to get people back to work, using the unemployment insurance program and the infrastructures that are in place to get people back to work. The municipalities across Canada have said: "Provide us with the working money to keep people going. We can put up the infrastructure". This government has not listened to us.

Maybe after that meeting with the provinces next week the Prime Minister is talking about there will be something for infrastructure and getting people back to work rather than paying out for social assistance and for unemployment insurance or taxing the unemployment insurance fund.

The Acting Speaker (Mr. DeBlois): Order, please. The member's time has expired.

[*Translation*]

Before going any further, I would like to inform the hon. member for Calgary Northeast that upon due consideration, his request was ruled in order, so that his name will appear in *Hansard* on the list of members who voted against Bill C–13.

The hon. member for Nanaimo—Cowichan, Mr. Stupich, has given me written notice that he will be unable to present his motion under Private Members' Business on Friday, March 20, 1992. Since it was impossible to arrange for an exchange of positions in the order of precedence, pursuant to Standing Order 94(2)(a), I ask the Clerk to drop this order to the bottom of the order of precedence.

[*English*]

Pursuant to Standing Order 94(2)(b), private members' hour will thus be suspended and the House will continue with the business before it prior to private members' hour.

It being five o'clock p.m., pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

INVENTORY

HISTORICAL, NATURAL AND CULTURAL PLACES

Ms. Lynn Hunter (Saanich—Gulf Islands) moved:

That, in the opinion of this House, the government should undertake an inventory nationally, internationally and of the global commons, identifying places of historical, natural and cultural importance which may be threatened, and negotiate for their protection.

She said: Mr. Speaker, I am very pleased to start debate on this motion this afternoon, particularly in the context of what has occurred today with the passage of Bill C-13. This does seem to be an environmental week in the House.

We are just months away from the earth summit which is going to be held in Brazil in June. At that summit the world is going to have to examine the environment and development challenges before it.

Canada's role in the international community is a very important one. We stand as a role model for the world on many fronts. The intent of this motion is that Canada can improve that image.

I want to talk a bit about the history behind this motion. It flowed out of events that were going on in my riding of Saanich—Gulf Islands, in the Gulf Islands portion of that riding which is the most beautiful part of Canada. It is an archipelago of islands off the coast of Vancouver Island, between the mainland and Vancouver Island. If members have not visited there, I suggest that they do because it is a beautiful place.

However, with its beauty there are problems, the problems of development and over-development. There are increasing confrontations between residents of the islands and developers, some on-island developers and some from offshore. Concerned with the preservation of these beautiful islands, I saw that these pressures were not going to decrease; they were going to increase. Therefore on June 2, 1991, at the beginning of Canadian Environment Week, I called for the establishment of a biosphere reserve for the Gulf Islands.

A biosphere reserve was something I had known a little bit about in my previous occupation working for OXFAM Canada, doing international work. The UNESCO program has played a leading role since 1971 in establishing a global network of biosphere reserves.

The preparation for Brazil 1992 is a logical framework for advancing initiatives which demonstrate long-term thinking. A comprehensive inventory of lands, water and resources would be conducted. A monitoring system would be put in place and the region's carrying capacity would be assessed and embodied in the biosphere system.

This motion before us this afternoon fits into that framework. It is asking that the Canadian government take on that task of providing an inventory.

I want to talk a little bit and flesh out what the concept of a biosphere reserve is. Biosphere research, pilot projects, education and training have been established in most countries through UNESCO, the United Nations Educational, Scientific and Cultural Organization. Sustainable development, applied research, resource management, healthy productivity and monitoring of cultural ecosystems and human interaction are integral components of the biosphere mandate.

Each of the 111 nations participating in UNESCO's Man and the Biosphere Program are asked to identify a strategy for co-operation with the international action plan. Those figures are as of 1987. I will cite what the mandate is: conserve the ecosystems of the world's natural regions; recognize people and their activities as integral parts of the environment—so this is not apart, this is recognition that human activity is part of the biosphere—encourage monitoring, research, education, training and demonstration of natural and managed ecosystems.

It should also be an example of voluntary co-operation in resource management for both conservation and human use. It should be a place where local people form the management committee. That is the criteria for a biosphere reserve.

Canada's experience in establishing biosphere reserves is regarded as a model for local participatory process. Using that experience gained in the 15 years that

biospheres have been operative in Canada may help in developing a biosphere reserve in the Gulf Islands.

Of 276 biosphere reserves in 71 countries, the six in Canada include: Mont Saint Hilaire, St. Lawrence Lowlands near Montreal, Quebec; Waterton, Waterton Lakes National Park, southern Alberta; Long Point, sand-pit and dune formation at Lake Erie, Ontario; Riding Mountain National Park near Winnipeg, Manitoba; Charlevoix, the St. Lawrence River Valley near Quebec City in Quebec; and, the Niagara Escarpment on the Niagara River to Lake Huron, southern Ontario.

The officially proposed biosphere reserves in Canada include: Isabella Bay, including a whale sanctuary in the Northwest Territories; Lake Superior, jointly sponsored by Canada's Man and the Biosphere and the U.S.A. Man and the Biosphere Programs, Ontario; Lac Champlain, an independent reserve in Quebec; and, the Algonquin–Petawawa sustainable forestry model in Ontario.

I would like the people of the Gulf Islands to know that they are in very good company should they decide that a biosphere reserve is the way that they would like to protect their beautiful archipelago.

The long-range goal of Man and the Biosphere Program is to create a world-wide network of biosphere reserves, to include examples of all of the globe's main ecological systems with their different patterns of human use and adaptations to them.

The evolution of the biosphere reserve concept is an interesting one. It came out of the International Biological Program of the 1960s and the early 1970s. The International Biological Program's Conservation of Ecosystems Subprogram, whose participants commissioned the establishment of a global network of protected ecological areas for conservation and research, led to this concept of biosphere reserves.

• (1710)

The task force then envisioned that a biosphere reserve would include a core area for strict protection of natural ecosystems, surrounded by a buffer zone, where uses could be managed co-operatively in ways that protect the core area.

The description of the buffer zone has since been amplified to include two categories of multiple use areas; one for legally designated units where human uses are carefully planned and managed, and the other for areas where voluntary co-operation among agencies, local communities and the public is encouraged. This is called a transition zone.

My vision for the Gulf Islands would be a cluster of these communities, rather than one core and radiating from that one core, many cores with the transition zones around it. This would fit the needs of the people of the Gulf Islands. It would preserve the bounty that is there, both marine and on the ground. It would also recognize the international aspects of our community and how it links with the rest of the world.

The Canadian government is also on record as being committed to the completion of the national parks system by the year 2000. My motion, talking about an inventory nationally, internationally and of the global common fits in with an initiative that the government has given an undertaking on, that is the completion of the national parks system. It also fits in with the international initiative of a biosphere program.

In conclusion, Canada is in a good position to support international initiatives, demonstrating practical measures to implement local and global sustainable development and conservation. This would enhance Canada's position with regard to the biodiversity convention being presented to the Brazil 1992 earth summit.

I know that the Secretary of State for External Affairs in recent meetings with environmentalists has said that the expectations from that earth summit are way beyond what is achievable. I think that the Government of Canada, by agreeing to support this motion, would be able to demonstrate that Canada does have long-term thinking on this and that there are demonstrated projects here in Canada with the biosphere reserve.

There are those that are projected, and I would like to add the Gulf Islands as another one, if the people of the Gulf Islands are in agreement that a local committee be formed and the Gulf Islands biosphere reserve could be added to the 276 biosphere reserves that the world currently enjoys.

[*Translation*]

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I am pleased to participate in the debate on the motion of the New Democrat member, who emphasized her interest in the preservation of historical and other sites.

We witness almost daily examples of destruction of our world heritage, whether in the Persian Gulf or Yugoslavia, because of war or extreme climate phenomena. It is a good thing that a member of Parliament asks the Canadian government to do its share to put a stop to that destruction. That the government undertakes an identifying places of historical, natural and cultural importance which may be threatened, and negotiates for their protection are good initiatives. These measures would certainly reflect the concerns of many Canadians.

However, such inventories already exist, thanks to the concerted efforts of international organizations, governmental and non-governmental, as well as of their member states.

The International Union for Conservation of Nature, whose head office is in Switzerland, looks after natural heritage sites, while the International Council of Monuments and Sites, whose head office is in Paris, looks after cultural and historical heritage sites.

As for UNESCO, it is responsible, through a World Heritage Sites Committee that implements the International Convention on Heritage Sites, for the most important natural or historical heritage sites.

Moreover, UNESCO sponsors the Biosphere Reserves Program, which also helps to protect those sites deemed representative of the main ecosystems of the world.

Incidently, the Canadian government plays an active role, through its financial and logistic support, to ensure the efficiency of these institutions. The green plan even provides for an increase in Canadian contributions to UNESCO's World Heritage Fund and to the International Union for Conservation of Nature, and those contributions have already been made.

The International Union for Conservation of Nature was created in 1948 at an international conference held in Fontainebleau. It is a union of sovereign states as well as governmental and non-governmental agencies gathered together to promote a sound use of natural resources throughout the world. Among the numerous achievements of that organization, one is of particular interest to us here. The IUCN, in conjunction with the World Wildlife Federation and the United Nations Environment Program, has established a world-wide inventory of natural sites. These are classified by level of protection and their status is updated regularly, with special emphasis on those at risk for one reason or another. This is the job of the World Conservation Monitoring Center operating from Cambridge, England.

To identify the dreadful state of a site is one thing, but the situation must also be corrected. Funded both publicly and privately, the IUCN can, upon request, help a country with problem identification and solving. There is even room for prevention, in the IUCN's activities as it also assists in the development of management plans for protected sites and in the training of personnel.

The International Council of Monuments and Sites, ICOMOS, founded in 1964, does essentially the same thing with fewer means and different structures with regard to monuments and sites of historical and cultural importance through its UNESCO/ICOMOS documentation center. The role of this center is to compile and maintain material on the conservation, protection, use and promotion of monuments and sites.

UNESCO, as depository of the World Heritage Convention, identifies and assigns special status to the most significant heritage sites, whether natural or cultural. There are presently 340 such sites in some 70 countries. Funds, albeit modest, are also available to provide technical assistance and emergency relief upon request.

At the present time the committee focuses mainly on heritage sites not related to western culture, such as those found in Africa for instance.

The 1990 meeting of the committee was held in Canada, and two Canadian officials have chaired the committee over the years.

Mr. Speaker, ten of these national heritage sites are located in Canada, including the Kluane National Park in the Yukon; Anthony Island, off South Moresby in British Columbia; the Nahanni National Park in the Northwest Territories; as well as the Head-Smashed-In Buffalo Jump and the Dinosaur Provincial Park in Alberta. World heritage sites, whether they are at risk or not, are well-known and properly inventoried.

• (1720)

Now, is there a case for starting negotiations to protect these sites? A record of international treaties and other agreements on the environment published by the United Nations Environment Program, lists as many as 140 international agreements.

In a UNESCO publication on conventions and recommendations relating to the protection of our cultural heritage, three conventions and six recommendations are listed. The oldest convention, which goes back to 1954, deals with protecting cultural assets in case of armed conflict.

There is no lack of inventories of world heritage sites or legal protection for those sites. However, we are too often faced with a lack of political will, resources and interest, with ignorance and extreme meteorological phenomena such as typhoons, floods, tornadoes and wars as well. The remedy demands a lot of time, money and effort.

However, there are certain threats to both natural and historical sites that cause trees and stones to deteriorate, forces against which governments have decided to launch an offensive. I am referring to air pollution, whether we are talking about acid rain or climatic change.

It is known that eminent researchers expect global warming to raise the level of the seas. In fact, the Standing Committee on the Environment tabled a very detailed report on the matter. Rising sea levels may flood many coastal sites. Venice is a good example. However, there are more, like Goree Island in Senegal and the medieval city of Thebes, that may also be flooded, or at least suffer irreversible damage.

I realize I am running out of time, Mr. Speaker, but I would have liked to mention many more examples to show that much is already being done in this respect. I hope that this information, modest though it is, will give members a better idea of what is being done at the international level and how Canada is actively involved in protecting natural, historical and cultural sites, which are indeed a unique heritage.

That is our position. We, as a government, intend to continue our positive action and remain very actively involved.

[*English*]

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, indeed I find it a pleasure to speak to this motion here before us tonight, offered to us by the hon. member for Saanich—Gulf Islands.

When speaking of the Gulf Islands in British Columbia, I know whereof she speaks and it is indeed a place that is very beautiful. I certainly encourage members opposite, particularly my friend from Newfoundland, to come out and see our Gulf Islands.

Mr. Mifflin: I have sailed out there. A great place.

Mr. Belsher: You have sailed out there. The subject we are debating tonight is one of great significance to our country and it is also one that has long been a priority of this government. I am delighted to be able to address the question here tonight. Also, I would like to propose some approaches that should be followed in the future.

During this crucial time in our history when fundamental questions have been raised about the nature of our country and the relationships between government and citizens, more than ever it is important to ensure that our precious heritage is not only protected, but it is also presented in a manner to assist Canadians to understand the nature of our country. It is my belief that only in the understanding where we have come from will we be able to discern where it is we want to be.

Let me first briefly deal with the points raised in the motion with respect to the international arena. At the international level, much has been accomplished through various conventions of which Canada is a signatory.

Work is continuing through the actions of the World Heritage Committee and like international agencies. Canada, of course, played and continues to play a significant role in the activities of that committee and likewise has taken an active role in bodies such as ICOMOS, the International Council on Monuments and Sites, the IUCN, the International Union for the Conservation of Nature and the ICCROM, the International Centre for the Study and Preservation and Restoration of Cultural Property. These are all new acronyms to me and I am sure others are not familiar with them either.

It is worth noting that Canada hosted the 1990 general session of the World Heritage Committee in Banff. In July 1991, the first ever meeting of world heritage cities took place in Quebec City. In the coming year, Canada will host the annual meeting of ICOM. This is an indication of the important role our nation plays in assisting the essential works of these bodies which are dedicated to the protection of the world's cultural and natural heritage.

But to return to the question of the adequacy of our cultural and natural heritage programs in Canada, it is useful to understand that we as Canadians are surrounded by and are part of what can accurately be described as a cultural environment within the broader confines of the natural environment.

To elaborate on the importance of this relationship between the natural and cultural environments, let me quote from the 1982 United Nations Charter for Nature. It states: "Civilization is rooted in nature, which has shaped human culture and influenced all artistic and scientific achievements".

In other words, it is logical that we are a society whose identity is tied inextricably to our natural and cultural environment. Our geography and our history define the essence of Canada. They are the influences that identify Canada and Canadians to ourselves as well as to the rest of the world.

It is essential, as I have already noted, to explain and to preserve our cultural heritage in order to make informed decisions. We must preserve and present our natural heritage so that we can better understand how we interact with the environment as individuals and as a society.

It is fundamental to recognize that the achievement of these objectives is not solely the responsibility of the federal government. Only through the concerted efforts of other levels of government and activist voluntary organizations and individuals will our goals be achieved.

Moreover, if we are to work in harmony on heritage matters, an interest whose time appears to have come, it is important that we should be able to continue to walk the tightrope linking the past, the present and the future. And we should be willing to run the risk of questioning our current vision of things.

More than ever, as we near the end of the century, it is important to make sure that the people of Canada have a sense of our history if they are to meet the challenges of the 21st century. This is obviously something that cannot be accomplished in a couple of days.

"Culture cannot be pulled out of a hat," wrote the French writer, Julien Green. Although shaped by our past, it takes on aspects of current trends and expresses the fundamental values that consciously or unconsciously guide all our actions.

For we Canadians, the challenge consists of coming to terms with the country's cultural diversity, of identifying the varied and sometimes conflicting aspirations of its people, and of providing for the continuity and renewal of values deemed to be essential. In short, it is knowing who we are and preserving that identity.

The existence of a strong sense of belonging is one of the conditions essential to the survival of Canada as a distinct political, economic, social and cultural entity in North America. It is therefore important to be well aware of our heritage, which is the tangible record of the influences that have made us what we are, if we are to have a clear picture of ourselves and share a vision of the future. As a nation, I believe that we have long recognized that fundamental requirement.

For example, the year 1842 saw the establishment of the Geological Survey of Canada, an organization that would play a determining role in the creation of our national museums. In 1927 the Geological Survey of Canada museum became the National Museum of Canada. The National Gallery of Canada can trace its roots back to 1880. The National Archives of Canada dates back to 1872.

The beginnings of the Canadian Parks Service, an agency with fundamental responsibilities for our national heritage, go back to 1885, when an Order in Council set aside land adjacent to hot springs discovered near Banff when the railway was being pushed across Canada. This 26–square kilometre area was destined to become Canada's first National Park.

Now a part of Environment Canada, the parks service exercises a shared responsibility for protection of our nation's magnificent natural and cultural heritage. The service manages some of the largest areas of land and natural resources in the world, some of the world's most majestic parks, many of which contain absolutely unique ecosystems and are recognized as such by international

accords. The service also has responsibility for much of Canada's built heritage such as the fortress of Louisbourg, the fortifications of Old Quebec City, the Rideau Canal, the St. Roch in the province from which the hon. member opposite who proposed this motion and I come, and similar sites in every part of the country.

• (1730)

For more than 100 years we as a nation have been setting aside such fundamental aspects of our heritage. The Historic Sites and Monuments Boards of Canada began the process of commemorating the nation's past in 1919. The 1951 Massey–Levesque Commission on National Development and Arts, Letters and Sciences led to the formation of the board's role with the Historic Sites and Monuments Act of 1953.

In 1972, Transport Canada transferred several non–commercial canals to the parks service. The Rideau, Trent–Severn, Chambly and several others now play a role in heritage protection and interpretation blended with recreation, tourism and transportation.

The Canadian heritage river system, a partnership between Canada, eight provinces and both territories was established in 1984. It is a mechanism for preserving the heritage values of some of our great rivers. To date, 21 rivers have been nominated to the heritage river system totalling 4,342 kilometres of waterway. The discovery and settlement of our nation was made possible by these rivers and the importance of our nationhood cannot be overestimated.

Similarly, the Treasury Board policy on federal heritage buildings encourages the preservation of federal buildings that represent an important part of our national heritage.

More recently, the Heritage Railway Stations Protection Act came into effect providing an important mechanism to protect another aspect of our national heritage. Like our heritage rivers, the national railways network was a major element in the development of Canada. This legislation requires railway companies to seek government authority to alter, demolish or otherwise dispose of designated heritage railway stations.

In the field of cultural heritage, the National Library was established in 1953. It has since played a crucial role in preserving the documentation of many facets of our heritage.

Many important steps forward in the heritage field were taken in the 1960s. The National Museums Corporation was established in 1968 and for 22 years it would guide the destiny of the museums in Ottawa.

The Archaeological Survey of Canada established in 1971 has acquired an enviable reputation in the field of archaeological research.

In 1972 the museum policy made possible the creation of several important institutions and programs, including the Canadian Conservation Institute, the Canadian Heritage Information Network and the Museums Assistance Program.

In 1973 the government established the Heritage Canada Foundation, a non–profit private organization dedicated to advancing the cause of heritage preservation.

Mr. Speaker, I have about two more minutes. Could I have the consent of the House to finish?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Belsher: Thank you very much, hon. members.

During the 1980s the government continued to build upon this solid base, increasing funding for non–profit cultural organizations, developing legislation such as the new National Archives of Canada Act approved in 1987 and the proposed archaeological legislation for the preservation and development of our archaeological heritage.

Major increased funding for museums has been announced within the past year. Our museums can take pride in being at the forefront of cultural heritage in their role as places where the past, the present and the future come together.

Similarly, our national system of 34 national parks, 110 national historic sites and historic canals represent a major investment in the heritage of our nation.

The government recently added South Moresby, Ellesmere Island, Grasslands and the Bruce Peninsula to the system of national parks and completed the long outstanding arrangements for Pacific Rim National Park Reserve. Furthermore, we added the Grosse Île, Laurier

House and the Gulf of Georgia cannery to the national historic sites network.

This brings me to an initiative of this government that will have a major influence in the future development of our heritage programs. The green plan, our comprehensive guide to the perfection of Canada's environment, includes several major initiatives that will enhance the broad base of the programs that I have outlined today.

Completion of our system of national parks so that all our national ecosystems are represented is fundamental to the green plan.

Similarly, inclusion of major new theme areas in our system of national historic sites is a complementary initiative that will ensure major aspects of our cultural heritage are preserved for the benefit of future generations. Themes such as ranching, forestry, fishing, immigration, land settlement, and many others are not yet adequately represented in the system. Fifteen new themes will be added as part of our national green plan commitment.

Flowing from the green plan, Environment Canada has developed a new Canadian parks service policy that has now been released for public consultation. It includes a cultural resource management policy that breaks new ground in setting standards for the protection and management of the nation's cultural heritage.

In short, what I have been attempting to make clear is that the Government of Canada over a span of many years has been doing precisely what is suggested in the motion before us today. However, we have been doing it in a co-operative manner, both at home in Canada with a wide range of partners and abroad through the international agencies charged with such responsibilities and in concert with other nations.

I am pleased that the hon. member opposite has brought this motion to the House in order that we may review the progress that has been achieved in this very important field of endeavour and pause to consider the challenges that remain to be addressed.

However, it is my considered opinion that the appropriate course is to continue with the directions that have been set out through our existing policies and programs, to continue to seek out and to develop the partnerships that will enable us to achieve our shared goals, to continue the important work that Canada has embarked on with a number of international agencies, and to ensure that the necessary resources are provided to enable this work to be carried out in an effective manner.

[*Translation*]

The Acting Speaker (Mr. DeBlois): As there are no more members who wish to speak, the period for private members' business is now over.

[*English*]

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): I therefore suspend the sitting of the House until six o'clock, at which time we will proceed to the adjournment debate.

At 5.37 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 6 p.m.

ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, on February 27 of this year, the Conservative government abolished the Court Challenges Program. Since 1978, that program has been essential in helping clarify the constitutional rights of women, aboriginal people, racial minorities and linguistic and ethnic groups before the courts.

In reply to a question I raised in the House on February 28, the Minister of Multiculturalism and Citizenship said that even in these times of constitutional crisis, that program had to be abolished because, and I quote: "After hundreds of cases one would imagine that we now have that base of jurisprudence".

In reply to other questions raised on that same day, the minister stated that the program should be supported by other groups, maybe at the provincial level, or by non-governmental organizations. Let us examine the three cases, the three issues.

First of all, he mentioned that there was enough jurisprudence. The financial support that was given led to major decisions by the Supreme Court of Canada. The jurisprudence is far from being complete. The witnesses that appeared before the Standing Committee on Human Rights and the Status of Disabled Persons on March 10th, 1992 pointed to that. The director of the Court Challenges Program, among others, said: "The courts have so far had very few opportunities to interpret sections 16 to 20 of the charter concerning services offered in both official languages by the governments of Canada and New Brunswick". She also said: "Because of the inherent slowness of the judicial process and of dilatory procedures often used by federal and provincial governments, the vast majority of test cases brought up by special interest groups representing women, disabled persons and minorities, as well as by other groups likely to benefit from the support given by the program, are still before the trial courts or a court of appeal". She also added that no court had yet ruled on the implementation of the language equality rights provided in section 15 of the charter.

Referring to the Mahé case now before the Supreme Court, Gérard Bertrand, chairman of the language rights committee, recognized that the implementation of section 23 of the Canadian Charter of Rights and Freedoms would probably produce numerous court challenges in the years to come. Mr. Justice Dixon of the Supreme Court of Canada then replied: "It is impossible at this stage of development of section 23 to foresee all the circumstances pertaining to its enforcement."

Given these facts, it would seem unrealistic to conclude that the case law is sound and complete.

The second observation is that the program should be supported by the provinces. It is the minister who said that. He stated that the program should be supported by others, namely the provinces. He is suggesting that the provinces play the part of both judge and defendant. However, it is those very provinces that all in all act like offenders in all the cases brought before the courts. Let us take the Mahé case dealing with the educational rights provided for in section 23 of the charter and involving the Alberta government. Let us take the Ford decision concerning the Brown shoes in Quebec dealing with the freedom of expression and the right to use languages other than French as regards public billposting which involves the province of Quebec. There is also the Forest case involving the province of Manitoba and judicial and legislative bilingualism. In 1978, again a province was challenged by a citizen.

To give provinces the responsibility of protecting minorities is somewhat the same as telling the Canadian people that we are going to put the fox in the hen house.

Now let us talk about the costs. The minister said that funds had to be cut. Well, the budget had been renewed in May 1990 at a cost of $13.75 million over five years. The expenditure would amount to $2.7 million. That is 10 cents per Canadian per year. This is not a big amount.

I plead with the Government. When the Constitution of our country is being scrutinized, the collective rights of Quebec, of native people and all the other groups and communities which will be before us should have a chance to be challenged in court.

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I would like first to commend my colleague for his remarks and his concern for the cause of official language minority groups.

A question was raised recently in this House about the government's decision to stop funding the Court Challenges Program. I must commend the hon. member who raised it for his concern for the linguistic minorities of Canada. However, I want to assure him that our commitment toward our country's linguistic duality remains as strong as ever.

The Court Challenges Program was established in 1978. Its purpose was to ensure equality to linguistic minorities all across the country. Since then we have made a great deal of progress in the matter of equality of all Canadians, as evidenced by the Canadian Charter of Rights and Freedoms proclaimed in 1982.

As you might have read in the Official Languages annual report of 1989-1990, the Official Languages Act administered by the Secretary of State remains a fundamental piece of legislation for linguistic minorities. Its protection applies to both anglophones in Quebec and francophones in the rest of the country. It gives the department the mandate to support and further the development of linguistic minorities and to promote the

full recognition and use of both official languages. This mandate is still valid.

The rights of these citizens are entrenched in the Constitution so that everyone knows of their existence. There is no way this government will give that up. However, the legal system is only one way to protect human rights in Canada. We must continue to develop other mechanisms, by negotiating or cooperating with other governments and interest groups in order to guarantee language and social rights.

Mr. Speaker, you are indicating my time has expired. I would have liked to read the response my colleague got from the minister, which is quite clear.

[*English*]

REGIONAL DEVELOPMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, on November 24, 1991, I and thousands of other Canadians in eastern Nova Scotia came together in a march of protest at Centre 200 in Sydney, Nova Scotia.

The following day I came back to Ottawa, stood in the House and asked the Minister of Finance if he would use his discretionary authority and exercise his responsibilities to order the Minister responsible for the Atlantic Canada Opportunities Agency as well as the officials of that particular department to meet with municipalities, labour and business in industrial Cape Breton in order to provide some needed employment in that area of Canada.

Unfortunately, my request was denied. On that particular day, Sunday, November 24, 1991, "jobs and dignity" was the slogan of the marchers. I stand in this House tonight to ask the parliamentary secretary if he will make direct representations to his senior cabinet colleagues in order to provide some necessary and meaningful employment in eastern Nova Scotia.

The unemployment in Waterford, Dominion, Glace Bay, Sydney, Cape Breton county, Louisbourg and all of those surrounding communities is at a chronic level. It requires the political will of the Government of Canada. I am the first to admit that no government acting by itself can resolve the problems of chronic unemployment, nor is it the panacea in terms of creating jobs in eastern Nova Scotia but it must demonstrate political will. It must call together the partners: provincial, municipal, labour and business, in order to implement a plan which will put Canadians back to work. They are individuals who wish to contribute to Canadian society. If one were to review the history of that part of Canada, one would find clearly that those men and women made the ultimate sacrifice in World War I and World War II. There were numbers unprecedented for small communities such as those.

I ask here today, as I have asked time and time and time again for the Government of Canada, because of the plight of the unemployed in that area of our country, to come to their assistance. The first meaningful task must be to sit down with those players who are involved. It must come with a plan and to provide the necessary financing to implement that plan. I sincerely request that the parliamentary secretary give the serious weight of his consideration to this request because it is fundamental to those Canadians, their families and to the community at large that they have an opportunity to participate meaningfully in Canadian society. I ask this of the parliamentary secretary, whom I know to be an able and fair-minded individual.

• (1810)

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the hon. member referred to his participation in the march and in a subsequent statement of his ongoing commitment, which is one I share and I think any government in this country shares, to see that economic prosperity exists even in those parts of our country that have the greatest hurdles to overcome in terms of their structure and their indigenous economy.

He said the first thing that should be done is to sit down, have some meetings and make a plan. The good news is that this has happened. After the march of concern in November, I am informed that Enterprise Cape Breton Corporation was among those that did meet at a follow-up meeting on December 5, which also involved labour, community as well as government representatives.

What the member is asking has happened. With respect to the second part of his question, the plan, even before these plans were established, ACOA and the government had recognized the need for special efforts in Cape Breton. In 1986, Enterprise Cape Breton introduced new programs in the area. The minister has already referred to the many millions of dollars that have been spent and further economic activity generated.

The solution that has been settled on by those who have dealt with this, most particularly Mr. Brait who had been asked to review the plan the member is calling for, recommended that the agencies all be put together into a single entity. That has now happened. The government has done that. This was part of the February budget to further implement this plan.

AGRICULTURE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, some time ago, I think it was back in November 1991, I raised this question with the Prime Minister. My concern was at that time that Canadian farmers were afraid that this particular government might abandon its system of protecting poultry, egg and dairy production as a result of the ongoing GATT negotiations.

I emphasized at the time that the future of Canada's agriculture community hung in the balance. I asked the Prime Minister at that time and was answered by the Minister of Consumer and Corporate Affairs, what particular measures the government was prepared to take to address this deepening crisis in our agricultural industry.

Subsequent to that question being raised in the House, we have had a number of debates with respect to the future of article XI, which is the protection of Canada's marketing boards and supply management structure within the General Agreement on Tariffs and Trade. The concern has been raised increasingly among the dairy farmers across Canada that the government is preparing to abandon its support of article XI.

So far the government has failed to persuade the other 107 members of the GATT panel to strengthen and clarify the supply management provisions that are within article XI of the GATT agreement.

I want to reiterate just what is at stake should Canada's system of supply management become unravelled as a result of the government's lack of true commitment to maintaining article XI. We have 100,000 Canadian jobs at stake; 38,000 farmers across Canada, some 22,900 employees of those farmers and some 36,000 processing jobs. When you look at the economic impact, there is some $4.7 billion in potential losses in farm production in Canada and some $5.5 billion potential loss in processing. That could result in a loss of over $10 billion to the Canadian economy should supply management become unravelled in the near future.

I want to point out at this time that the loss of supply management through the ongoing negotiations under the General Agreement on Tariffs and Trade will do to rural Canada what the free trade agreement has done to urban Canada. That is real genuine cause for concern in our agriculture community. If we lose our marketing boards, our producers will not even cover their costs of production and they would, in short order, be forced out of business.

The government has spun a good line in terms of its renewed commitment to article XI and the concept of supply management in Canada. But in fact when it brought down its first proposal to the General Agreement on Tariffs and Trade back in 1987 this proposal was not in support of supply management. This proposal was not in support of the strengthening of article XI. This proposal was, in no uncertain terms, a proposal for the tariffication of agricultural goods. Not only did the government at that time support tariffication, but it actually proposed measures for the introduction and phase-in of tariffs on agricultural commodities.

I take note, Mr. Speaker, that my time is up. What I am saying is that the government seems to be duplicitous in this—

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister Responsible for Constitutional Affairs): Mr. Speaker, the answer to this question has not changed. Canada's position has not changed; it has always stayed the same. I do not know where my hon. colleague has been, but recently we have had many demands and trips and delegations sent to Geneva to negotiate. Some think that we changed our position, but it is still the same and it still maintains the four points that we have defended from the beginning.

First of all, we seek a major reduction in subsidies. What hurts is not marketing boards internationally but rather the huge subsidies to support agriculture and production, especially in Europe and the United States. We want to have them reduced, and the GATT negotiations deal with them.

The second point we want is access to export markets. Of course if we want access to export markets, we must be able to import somewhere. As for developing the rules of GATT to clarify and strengthen article XI, we never changed our opinion on that, or on the objectives to establish a framework of rules to avoid misuse of health regulations as a way to prevent imports, for example.

That has always been sought. We never changed our mind and we keep on because the Canadian government honestly believes that marketing boards, including those for milk and poultry, have been successful and provided protection. Therefore they deserve to continue and to be defended.

[*English*]

EMERGENCY PREPAREDNESS COLLEGE

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, on December 6 I rose in the House and asked a couple of questions about the Emergency Preparedness Canada Centre in Arnprior, Ontario.

I should state, first of all, that the Emergency Preparedness Canada legislation was introduced in this House with great enthusiasm by the present Minister of Communications who was then Minister of National Defence. I was opposition critic at the time and we supported the legislation very strongly. I commended the minister at the time for his initiative because this legislation was brought in to replace the War Measures Act. It dealt with many things both national and international affairs.

During the election campaign in September 1988, the government announced a new building in the upgrading of the training centre in Arnprior, Ontario for the new Emergency Preparedness Canada operation. The building, it said, would be ready for operation by the end of 1990. It is still not built today.

When I asked the question in December, the Associate Minister of National Defence was very sympathetic to the cause because she knows that this legislation deals with such items as earthquakes, hurricanes, civilian disobedience, train wrecks, bush fires, floods, and so on. She related it to her home province of British Columbia. The key thing here is that the Arnprior location is an ideal one. It is close to the national capital area. There is an airport in Ottawa. We opened a new airport a short time ago in Arnprior which is owned by five municipalities, including Arnprior, Renfrew, Braeside, McNabb township. People are very proud of that facility.

• (1820)

The new facility would add a great deal. People will come from municipalities all across Canada. People will come from provincial and federal departments for training in the various areas that I have mentioned. There is easy transportation to get to the centre.

My concern is this: I know that there has been work within departments on the planning of this. This is such an important centre at this time when we have crises arising from time to time. Emergency Preparedness Canada is supposed to handle all of these crises in our society in the best way it can. The best facilities we can have for training, of course, proves that we are indeed committed to this program.

Because it was brought in with reasonable agreement by all parties, I would like to see the government come forward and tell us where this is at right now, when this new facility is going to be upgraded, and when the residence is going to be built. It was supposed to cost about $5.5 million in 1988 or 1989 dollar terms. It is probably up to around $7 million by now. Will the parliamentary secretary inform me and my constituents tonight just what is happening with this project at the present time.

I want to emphasize that people from the various parts of Canada have found it very handy to get to for training. Of course, Canadian Forces Base Petawawa is not far from the Arnprior location. There is a lot of talent there and we appreciate very much that the numbers at the base are being greatly increased.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I am happy the member raised this. I share his enthusiasm for the provisions under the Emergency Preparedness Act and all that that entails. I am quite concerned this building has not been constructed yet because certainly, the one it is intended to replace is below standard. It is a dated building.

I guess with a lot of other things that are said in the course of election campaigns, they are not necessarily fiction, but the time is a little distorted. What happened in this case certainly is that everybody I know associated with the program there is anxious that the college have the benefit of these new facilities as soon as possible.

The recessionary impact and the realities of that have caused the government to put on hold a number of projects that we would have liked to have seen done already. Certainly, the planning for this building has been done. Everything has been worked on and so it is really a matter of time. I think understanding that, if we can just accept that as part of the need for some patience and to get out of the economic problems that we are in, the government can get ahead with that.

I would like to say further to the hon. member that in my role as Parliamentary Secretary to the Minister of National Defence, I would be very happy to go with him into his constituency and visit these facilities. I have a personal strong interest in emergency preparedness with the work I am doing to bring about an international green corps that can respond on an emergency basis to environmental disasters just as the International Red Cross responds to disasters that affect humans.

All of this is very important. Canada does have a leading role to play. As the member was saying when his time ran out, this is an important facility. Some 2,600 Canadian government officials, federal, provincial and municipal, go through there every year as do people from the private sector and voluntary organizations.

All Canadians can be very proud of it. I would like to go with the member to his riding to look at these facilities so that we can keep moving this forward as he would like to see it move forward.

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, speaking of emergency preparedness, I am very pleased to have this opportunity to follow up on my question to the Minister of the Environment of nearly two months ago it concerned the alarming information that many of us received on our return to Parliament in early February regarding the unprecedented and unexpected rate of depletion of the ozone layer, which as we all know protects the earth's inhabitants from the devastating effects of the sun's rays.

We perhaps had the best explanation of what is so serious about this situation and what is so inadequate about our response to date when the Globe '92 conference in Vancouver opened on Monday morning. The spokesperson for the European Community said that one of the reasons it is so difficult to get international action on these issues is that when it was a southern hemisphere problem, or we thought it was primarily a southern hemisphere problem, it was impossible for the northern countries to take action fast enough to get rid of ozone depleting substances. In January of this year we realized it was a northern hemisphere problem and suddenly we could take action.

I welcomed the minister's announcement yesterday about speeding up the date for complete elimination of the production and import of CFCs to 1995. I wonder why it took two months to do that when the United States was able to do it within a week and a half of the news from Nassau and from UNEP, and when the European Community was able to do the same within a matter of days.

None the less, the announcement from the minister yesterday falls short of what is needed to address this extremely serious question, because it does allow the continued production and import and use of HCFCs until the year 2020. That is 30 years from now. That does not seem to me a terribly urgent response to a terribly urgent problem, especially given the fact that HCFCs have been shown to be up to eight times more harmful than CFCs. Allowing the continued use of HCFCs and allowing them to be substituted for CFCs may lead us to no progress on this very urgent and serious situation of the depletion of the ozone layer.

The announcement by the minister leaves untouched such things as methyl chloroform, methane and other ozone-depleting substances that are substantially and many times more damaging than CFCs.

We have the European Community saying that by 1996 it will phase out HCFCs as well as CFCs, while Canada is waiting for 30 years to do that. Obviously it is not a question of technology or the European Community would not be able to set that kind of target. We know what can be done. I am very proud of Northern Telecom, a company in my riding and in many ridings across

Canada that has been able to completely eliminate CFCs in what was, just a year ago, thought to be an essential use. Northern Telecom is showing more leadership than the government on this issue by saving $50 million a year by eliminating CFCs, and also making its technology available free to any country in the world that wants to use it.

I ask the government for the same kind of leadership.

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Privy Council and Minister Responsible for Constitutional Affairs): Canada has been successful in reducing the consumption of CFCs well in advance of the requirement of the Montreal protocol. The result of Canada's aggressive stance on the CFC phase-out is that Canadian consumption is down by 45 per cent from 1986 levels. This is well ahead of current requirements under the protocol.

I am pleased to be able to inform the House of the new control program for CFCs and other ozone-depleting substances that the federal and provincial governments have adopted. The control program involves initiatives and commitments at both the federal and provincial levels. The new program was announced yesterday in Vancouver at the meeting of the Canadian Council of Ministers of the Environment.

The Canadian phase-out schedule for CFCs will be accelerated by one year. Production and importation of new CFCs will be phased out by December 1995 at the latest. Consideration will be given to possible limited exceptions for the health care industry. The new date is five years in advance of the current requirement of the Montreal protocol.

Provincial governments will begin implementing the CFC recycling and recovery programs by the end of 1992. Mandatory recovery and recycling of CFCs already in use must now become the focus of Canada's efforts to protect the ozone layer. Recovery and recycling are necessary in order to achieve the accelerated phase-out date. Recovery and recycling are also important to prevent the release of CFCs during the servicing of existing equipment like refrigeration and air conditioning and to ensure that future servicing demands can be met after production of new CFCs ceases.

[*Translation*]

As far as HCFCs are concerned, while we were ahead of our program in the other area and even able to speed it up, I think that we will also be able to take very great care in this area, because as my colleague said, some substitutes can also harm the ozone layer.

The Acting Speaker (Mr. DeBlois): The motion that the House do now adjourn is deemed to be adopted.

[*English*]

The House stands adjourned until tomorrow at ten o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.32 p.m.

HOUSE OF COMMONS

Friday, March 20, 1992

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

YUKON WATERS ACT

MEASURE TO ENACT

Hon. Gilles Loiselle (for the Minister of Indian Affairs and Northern Development) moved that Bill C-52, an act respecting water resources in the Yukon Territory, be read the second time and referred to Legislative Committee B.

Mr. Jim Edwards (Edmonton Southwest): Mr. Speaker, just before I say one or two words about this particular bill, I would like to express my appreciation to the hon. member for Labrador and the hon. member for Churchill for their co-operation in the speedy dispatch of this bill to a legislative committee where it can be studied in all its appropriate detail.

I have just a few words. This is second reading of Bill C-52, the Yukon Waters Act. It is one of two bills, the other being Bill C-51, the Northwest Territories Waters Act, that are important to northerners and indeed to all Canadians who have an interest in water management in the north.

Northerners have a special relationship with the environment. They see it as both productive and fragile. Above all else, they are keenly aware that the environment and especially the waters must be protected. Bill C-52 acknowledges and recognizes the value of Yukon's water resources. It also acknowledges that the legislation enacted in 1970, the current Northern Inland Waters Act, needs updating to be in tune with the requirements of the 1990s and indeed the requirements of the next century.

The new bill addresses inconsistencies and weaknesses that have come to light. It would be wrong to leave these problems uncorrected.

The amendments are an excellent example of what can be achieved through co-operation and consultation. By streamlining the administrative arrangements for water use in the north and by correcting the weaknesses in the current legislation, we are addressing the expressed needs of northerners and we are focusing on sustainable development and protection of the northern environment. This should and will turn into jobs and economic growth.

I recommend this bill for speedy passage so that we can move on with that task. I urge hon. members to give their support to the amendments to provide a solid basis for future water management in Yukon.

Hon. William Rompkey (Labrador): Mr. Speaker, I would simply add to yesterday's comments that we support both these measures. We feel they are long overdue and necessary measures to give the people in those areas authority over their resources.

• (1010)

In my remarks yesterday I indicated that in spite of the fact that land claims were going on, all parties felt it was important to go ahead with these measures. However, I think we should insert a caveat and say that it does not mean that we should let up at all in our efforts to settle land claims.

Land claims are an important item throughout the north. It is at the top of the native agenda and it should be at the top of the agenda of this House and of the government. Land claims must be settled and people who live in the north must have more control over their resources, over their communities and over their lives.

The fact that we are seeing Canadians paying so much attention and giving so much prominence to the rights of native people in the constitutional debate and the very positive participation of the native people in the constitutional debate simply highlights the necessity for all of us to make every effort to see that land claims are speeded up and are settled with fairness so that people in

the north can live their lives not simply with control but with dignity.

So I would simply add that caveat to my remarks of yesterday. On the other hand, we do support these measures and intend to give them speedy passage.

Mr. Rod Murphy (Churchill): Mr. Speaker, I will not be speaking very long on this bill.

This bill is very similar to its companion bill, C–51, which we dealt with yesterday in the House of Commons. It is my understanding that the bill has been the result of extensive consultations with the Yukon government and I know that our office was certainly informed of the developments as they went on. It is my belief that the legislation will improve the situation and allow for a lot more local control over water resources in the Yukon territory.

We have insisted that this go to committee to make sure that if there are any groups that feel they are adversely affected by this legislation, they have the opportunity to appear and to make sure, even though this bill appears to have gone through a proper process, that they are consulted and will not be adversely affected by the legislation.

Again, from the knowledge that we have of this legislation and from the consultations we have had with the Yukon government and with our leader, who happens to be the member for the Yukon, we believe that the legislation itself is very positive.

If I can just add a few remarks to my colleague from the Liberal Party, I recognize that in the Yukon the territorial government has signed a very extensive and comprehensive agreement with the Council of Yukon Indians and with federal officials.

I attended the aboriginal conference this last weekend in Ottawa where, in my group, one of the negotiators for the Council of Yukon Indians, Vic Mitander, was there. It was interesting how people, both white and aboriginal, from all across the country kept referring back to the comprehensive agreement that had been signed in the Yukon. They have looked at such things as large land settlements and the impact on the different regions in different parts of the Yukon, where concerning areas, such as wildlife, they had set up joint management boards to make sure that the native people and their traditional right to harvest the wildlife was included and part of the environmental planning. So it was a very comprehensive bill.

It recognized the inherent right to native self–government. It recognized that this was a very important issue, and it made sure it was not just lip service. They actually dealt with the problem.

Another interesting aspect of that settlement was the fact that it allowed for local negotiations to carry on for a number of years, recognizing that within the Yukon territory there were different situations in its various parts. If one group signed off something in an earlier period, perhaps in the next year or two, and another native group got a much better deal three or four years down the road, then the original signing group would have the right to reopen.

That is a positive and progressive step to rights. Something that seems good in one year, something that seems adequate in 1992–93 may not be adequate five or six years later. I think what we have in the Yukon is a living agreement, and I do not believe that the legislation we are passing in the House today would adversely affect that.

With those few words, we are happy to have this bill go to committee to see if there are any representations against the work that has been done.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): Carried.

Motion agreed to, bill read the second time and referred to Legislative Committee B.

* * *

NORTHWEST TERRITORIES ACT

MEASURE TO AMEND

Hon. Monique Vézina (for the Minister of Justice) moved that Bill C–64, an act to amend the Northwest Territories Act, be read the second time and referred to Legislative Committee H.

Mr. Hawkes: Mr. Speaker, I think you will find the House is in agreement with the reality that we would like to move through all stages of this bill in sequence. Maybe you could check with the House. There may be people at different stages who want to make brief interventions, but that is our intention.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, yes indeed there is concurrence that this move forward quickly.

[*Translation*]

I just wanted to point out that as I understand it, this is the second time an extension has been sought. I am told that if a third extension were necessary, it could be very difficult. So the message has gotten through. Let us go ahead, but please let us try to solve this question as soon as possible.

[*English*]

Mr. Rod Murphy (Churchill): Mr. Speaker, again it is my pleasure to speak on this piece of legislation.

I would expound upon the comments of the Liberal member that we recognize this is an extension for the Northwest Territories to allow more time to put in the required legislation.

We have a letter from Dennis Patterson to our leader dated March 13, 1992. It was written on behalf of the Yukon government and requests that this legislation be an extension for one final time. I think it is very important that the requirements of the language act be adhered to, recognizing the native diversity in the north and recognizing the difficulties that do exist in the Northwest Territories because of the number of communities and the vast size of the territories.

At the same time, I am very pleased that the Northwest Territories Minister of Justice has said in his letter to us that this is an extension for one final time.

• (1020)

I concur with the passage of this legislation. As was indicated by the government whip, we would agree to passage at all stages at this time.

The Acting Speaker (Mr. DeBlois): Does the House give its unanimous consent to proceed to all stages?

Some hon. members: Agreed.

[*Translation*]

Mrs. Vézina (for the Minister of Justice): moved that Bill C–64, an Act to amend the Northwest Territories Act, be read the second time and, by unanimous consent, referred to Committee of the Whole.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. DeBlois in the chair.

Deputy Chairman: Order! House in Committee of the Whole on Bill C–64, an Act to amend the Northwest Territories Act.

Clauses 1 and 2 agreed to.

Title agreed to.

Bill agreed to.

Bill reported.

Mrs. Vézina (for the Minister of Justice) moved that Bill C–64 be concurred in.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): When shall this bill be read the third time? With leave of the House, now?

Some hon. members: Agreed.

Mrs. Vézina (for the Minister of Justice) moved that the bill be read the third time and passed.

The Acting Speaker (Mr. DeBlois): The hon. member for Churchill has the floor.

[*English*]

Mr. Rod Murphy (Churchill): Mr. Speaker, I am not going to be delaying this bill but after reviewing the short words that I gave on second reading, I would like to read the full text of a letter we received from the Northwest Territories Minister of Justice into the record. I think it would help people who are watching and who are concerned about official languages to further understand what has happened and to make sure there is no belief that there is any delay involved. The letter which we received by fax from the Northwest Territories Minister of Justice, Dennis Patterson to our leader states:

I am writing to let you know about a request I have made to the Honourable Kim Campbell to extend (for one final time!) the deadline of March 31, 1992 for translating regulations into French. My department has been working flat out and has airlifted help from Ottawa in addition to assistance supplied by the editors of the *Canada Gazette*. Even with that help, the Department of Justice expects the revision will not be completed until the end of the summer. In an abundance of caution, the bill passed and assented to yesterday in the Legislative Assembly fixes a new date of September 30, 1992.

The government of the Northwest Territories has worked hard and opened a considerable amount of (federal) money to meet the obligations established by Parliament. All of the statutes are now published completely in bilingual form and all bills proceed through the Assembly in both English and French. All new regulations are produced and published in both languages. Most of the backlog of regulations is translated and the first of four volumes of regulations has been sent to the Territorial Printer.

The Honourable Kim Campbell has undertaken to introduce the necessary legislation as soon as the appropriate Bill passes the Legislative Assembly here. It would be a shame if Parliament could not amend the *Northwest Territories Act* quickly with all party consent before March 31 and I seek your support to ensure that valid health, public safety and social assistance laws continue to protect the residents of the Territories.

Yours truly,

Dennis Patterson

I think that it is very obvious from the letter I have just read into the record that the Northwest Territories is committed to have the regulations translated by September 30 of this year and I think it is a very reasonable extension under those conditions.

[*Translation*]

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I would just like to thank the hon. member for Churchill for his statement, because I thought it was the right thing to say. The letter he shared with us is very important at this point in our deliberations and it is good to have it on the record, in *Hansard*, for all Canadians. It is an important principle for this country. We belong to a really bilingual country and it is fitting to point that out in the present climate.

So I again thank the hon. member for Churchill for what he said.

The Acting Speaker (Mr. DeBlois): Resuming debate, the hon. member for Carleton—Gloucester.

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I in turn would like to commend the hon. member for Churchill for his good words, for reading this letter and the encouragement it shows for linguistic duality, that is French and English in Canada.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Yes.

The Acting Speaker (Mr. DeBlois): The vote is on the motion of Ms. Campbell (Vancouver Centre). Is it the pleasure of the House to adopt this motion?

Some hon. members: Agreed.

Motion agreed to, bill read the third time and passed.

* * *

[*English*]

FEDERAL–PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST–SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed from Thursday, March 19, consideration of the motion of Mr. Mazankowski that Bill C–60, an act to amend the Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act, be read the second time and referred to the Standing Committee on Finance.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am delighted to be given the opportunity to address this particular bill today.

I want to begin by saying that these federal–provincial agreements such as Established Programs Financing agreements are not really agreements *per se*. This is a misnomer. How can it be an agreement when in fact the federal government has on a number of occasions unilaterally breached them, reduced them. An agreement means that at least two people want to do something in common with known rules of changing or whatever business they were intending to do. In this particular case that is not the situation, so I think I need to make that statement initially.

• (1030)

Let us recognize as well what this is all about. We are talking about Bill C–60. This is a massive assault, as a number of people have recognized before, on post–secondary education funding in Canada. It is also a massive assault on health care services.

Let me share with the House that contrary to a promise made by the government not to change the transfer formula, it was in fact reduced in 1986 by 2 per cent. It was in fact changed in 1990 by 1 per cent. In 1991 it was frozen and that freeze was extended to 1995.

What do all these changes mean? It means that from 1986 to 1995 there will be 30 billion fewer dollars transferred to provinces for health and education. That is roughly $20 billion less for health and close to $10 billion less for education. That is why I call it a massive assault on health and education.

Let me also share the most recent data I have received. For example, in 1990–91 there will be 315 million fewer dollars transferred for education. In 1991–92 there will be 594 million fewer dollars transferred for education. This is cash. Some of us will know that there are both tax transfers as well as cash transfers. The tax transfers do not put any money on the table in spite of what federal government officials will say. They basically permit the provinces to raise the taxes and they take the flak for it.

What the provinces want, what the provinces need, and what the students require is more cash. We are all knowledgeable about the current situation where the students have been hit extremely hard. Tuition fees are on the increase. Student debt is sky-rocketing. It is becoming increasingly difficult to get an education in this country.

What do these massive cuts mean to Canada? What do they mean to Canadians and Canadian students? First, they damage our competitiveness. Let us not doubt that for one moment. We talk about increased productivity, more competitiveness and globalization. They do nothing to enhance those matters in any way.

The most serious impact is on the poorer provinces. When we look at the Atlantic provinces and the provinces of Manitoba and Saskatchewan, they are the ones that are the most hard hit. Those are the provinces in which parents hope their children will get the kind of education which will permit them to develop those provinces so that they can make their rightful and full contribution to Canada. Those are the provinces that will be adversely affected by these kinds of measures.

Let us look at the economies of these provinces.

[*Translation*]

The Atlantic provinces and especially the western provinces—in this case only Manitoba and Saskatchewan—have been hit very hard. In Manitoba, the Canadian Forces Base in Portage la Prairie was closed, all kinds of subsidies in the farm sector were cut, and I could go on. This is in addition to what these provinces have already experienced. I did not mention the Atlantic provinces, the fisheries, unemployment, and so on.

[*English*]

The impact of all these cuts is being felt, as I indicated, in the smaller provinces, the poorer provinces and in the whole of Canada.

We have to remember that some of these cash payments will dry up by 1996. That is very important to remember, because come 1996 there will not be any more cash on the table for some of the provinces. We have to remember that a Canadian labour market survey has indicated that most businesses, roughly 80 per cent, believe that the single most important factor to increasing competitiveness is better training and retraining, in other words, more and better education. We have to remember that many of the policies this government has pursued have not been conducive to that, not only because there has been less money but because there have been the compounding factors of the recession: in abundance high unemployment, poverty, social assistance.

In 1985 total education and training expenditures were 7.3 per cent of our total spending. In 1991 it was 6.4 per cent. That is a dramatic drop, extremely acute.

We also have to remember that it is in the context of enrolment being at an all-time high. We have our resources on the one hand which are being pushed down, squeezed and reduced and then we have our student enrolment on the other hand which is increasing.

Between 1985 and 1989 the growth rate in education spending was 2.3 per cent compared to inflation at 4.2 per cent. There again is a dramatic statement with respect to how those expenditures have been compressed.

These are statistics from Statistics Canada. I do not want anyone to get the impression that I have made them up in order to try to impress people.

Another interesting statistic is education and training as a percentage of GDP. It declined from 1.3 per cent in 1986–87 to 1.1 per cent in 1988–89. This is another dramatic reduction. Between 1986–87 and 1988–89 Canada's real GDP increased by 15.4 per cent. Over the same period of time while we had this increase of over 15 per cent, our operating grants to universities increased only by 1.1 per cent in real terms. Yet the number of students attending universities increased by 7.5 per cent.

Let us look at this. We have growth of 15 per cent. We have real increases to universities by 1.1 per cent and student growth at over 7 per cent.

I want to quote something that you will find very interesting, Mr. Speaker, as will other members in this House and those who are watching us. When the Prime Minister was the Leader of the Opposition he said:

> We are committed to sustaining the current federal financial commitment, according to the formula set out in the 1977 agreement. We believe that financing post-secondary education is an important priority for both levels of government.

That is what the Prime Minister said, and I have outlined what has happened since then.

The hon. member for Etobicoke Centre, speaking in the House in 1982, roughly 10 years ago when he was in opposition, said that EPF, Established Programs Financing, moneys and tax points that are transferred for health and education "could have disastrous effects" because there were reductions then "on the universities and colleges, on hospital funding and on the operation of hospitals". He continued:

> Let us not make hospitals, universities and colleges a battleground between the federal government and the provincial governments: Let us solve these problems not on the backs of the hospitals and universities; let us solve these problems outside that arena.

That is what the Prime Minister and the former Finance Minister had to say.

I regret that my time is coming close to the end because I had so many more things I would have liked to have said that I know Canadians would have been interested in finding out about. But perhaps I will have an opportunity to do that in the near future.

Our concern is that there are some positive steps in this bill and there are a number of technical improvements, but I think it masks the major problem, which we are not talking about.

I want to terminate with perhaps one observation. Why is this being extended for two years? People are saying: " Because we are rediscussing that it is being reviewed". That is a possibility, but looking at the government's record for sharing openly, I have to wonder if there are not other reasons. Is it because cash is going to run out then, or are there other particular concerns?

[*Translation*]

Mr. Speaker, as I said earlier, the impact of this bill is considerable. Although it has a number of very positive aspects, it raises a number of questions, because as you know, there has been a very severe cutback in transfers of funds to Canada's colleges and universities.

[*English*]

Mr. Ross Harvey (Edmonton East): Mr. Speaker, this is an odd little bill. It does not really do anything very much, but in failing to do anything very much it does very little in a variety of areas.

It touches on the equalization program and in so doing, more or less renews that program for a period of further negotiation. It makes a minor change to the Established Programs Financing program, basically for the purpose of preventing the equalization payment ceiling from cutting EPF payments. A more bizarre concept it is difficult to imagine, but that could be the case as the legislation is now crafted. As well, the bill sets the groundwork for harmonization of provincial sales taxes with the goods and services tax.

• (1040)

It is a very broad brush the government is using in this bill and very thin paint indeed.

For the reason alone that the bill seeks to create a regime that would allow for harmonization of provincial sales taxes with the goods and services tax, our caucus will be opposing the bill. We are irrevocably opposed to the goods and services tax and see no reason that we should support moves which would make its imposition on Canadians that much easier. Our goal, in fact, is to remove the GST, to destroy it, to replace it with a fairer

taxation system based on progressive income tax and not regressive excise taxes.

However, in saying that, I should note that this is not the only move this government has undertaken in an attempt to compel provincial governments to adopt its taxation regime, to come into the tent.

[*Editor's Note: Power interruption.*]

When the federal government alters the income tax system in such a way as to make it less progressive, more regressive so as to reduce the burden on those who can most afford it and increase the burden on those who can least afford it, those changes automatically carry over to the provincial taxation systems that are reliant on the federal income tax system.

Now what does this mean? Over time it means that the revenues which provincial governments need to come up with, their contributions to schooling, health care, education, transportation, the host of revenues needed for the of services that provincial governments supply, are cut back, just as they are cut back federally because of the alterations in the federal income tax system that have starved that system more and more over the last 20 years. For example, the tax breaks to corporations that have resulted in a circumstance where now corporations pay roughly 15 per cent of the total of income taxes collected in Canada, whereas 20 years ago they paid between 30 and 40 per cent on average.

What this has done is that it has starved provincial governments for necessary funds because they are reliant on the federal taxation system to generate those funds. This has meant that increasingly they have had to rely on other sources of revenue to meet their commitments in education, health care and social services and the broad range of services they provide.

Yet what has been happening simultaneously is that the sources of income for those programs, the federal transfer payments, have been severely restrained too. What this has meant over time is that more and more fiscal pressure has been devolved from the federal government on to the provincial governments.

They have lacked the fiscal resources with which to address those new pressures and thus, have had three choices. In the first instance, they could raise their own taxes. It is assumed by the current federal government that will be the avenue chosen, and it is preparing for this harmonization of the GST. It thinks that having put enough pressure on provincial governments, it has left them no choice but to hop on board the GST cash cow.

There are two other alternatives available to provincial governments. They can in turn devolve that fiscal burden on to their municipalities. This is precisely what has been happening in Alberta and I believe has been happening elsewhere.

They can simply reduce services. This too has been happening across the country, such that everywhere in this country the education system now is not what it was 20 years ago. Everywhere in this country there are line-ups for hospital beds that would have been unthinkable 20 years ago. Everywhere in this country there is poverty that would have been unthinkable 20 years ago.

An hon. member: It is because of the unions.

Mr. Harvey (Edmonton East): I just heard an hon. member across the way say it is because of the unions. How this kind of bizarre, twisted thinking could be held by an adult eludes me. The remarkable and appalling fact of the matter is that it is precisely this kind of thinking that seems to animate the legislation we repeatedly get from that side of the House.

I would just note that having created this fiscal crisis for provincial governments, the federal government now seeks to use the vehicle of harmonization with the GST to force provincial governments into that harmonization, thereby legitimizing further this wholly illegitimate tax. And do you know what? It may work. God knows there are provincial governments out there that are in terrible fiscal shape, that desperately need whatever sources of revenue they can cobble together with which to attempt to continue to provide Canadians in their jurisdictions with the services that Canadians ought, by right, to be able to expect.

So, yes, Mr. Speaker, it may work. But it will not work for long. One way or another there will be an election in this country within the next 18 months. Either the government itself will go to the people or it will be forced to by constitutional deadlines. When that happens, this government will be defeated. The only question is what will replace it?

I can say this, if the government currently in place is replaced by a New Democratic government, the GST will be gone. As well, the trade deal will be gone. A number of truly regressive and reactionary measures will be gone, but they will be replaced in this instance by a

taxation system which will be such that we will no longer have to worry about ceilings on established programs funding. We will no longer have to worry about harmonization of provincial and federal sales taxes because we will have returned to a system of progressive income tax based on ability to pay.

An hon. member: What a statement.

Mr. Harvey (Edmonton East): Mr. Speaker, I do not usually have the experience of literally bringing the House down, but I fear it may yet happen. That will be a most happy day for Canadians. With those words I will leave you to deal with these problems.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I simply want to point out to hon. members that we have had a power failure and are now running on a generator until everything gets back to normal, hopefully as soon as possible.

The hon. member for Winnipeg North.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I am delighted to speak to Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act. This bill has several components and I will just point to two.

The first one is simply an extension of the equalization and transfer payment system for another two years. I would like to say that in general this type of legislation continues for five years. Therefore, I ask why this government at this time is only renewing it for two years. Would it create a situation of difficult planning? I think this is again another tactic by this government to keep provinces hostage to federal-provincial relations.

The second component of this bill relates to the creation or changing the base year for the ceiling provision. The base year being used at the moment is 1987-88. The proposed legislation, Bill C-60, would make 1992-93 as the new base ceiling, thus creating a situation where there would be no ceiling for this year if this legislation is passed.

What the substance of this bill about transfer payments and equalization. Equalization as a concept for Canadians was developed at the time of Confederation so that those who had less would be helped by those who had more.

• (1050)

What do we see today? Large numbers of homeless people wander the streets of major Canadian cities. That is what the editorial by Duncan Cameron says in the *Canadian Forum*. It is true. And what did this government do with the budget in February? It cut the program for co-op housing, trying to remove the choices from those who come from the poor sector of our society, those with low income. They will have no choice; they will have no shelter over their heads.

Where is the heart of this government? Where is the heart of this government insofar as it plays a leadership role in trying to equalize the wealth across the country so that Canadians will have a decent standard of living for all, not only reserved for a few.

This government has had a crusade and that is the deficit crusade. But it has forgotten to take into account that there is another more important crusade and that is about children.

Has this government introduced a program to fight child poverty? No, it has not. In my province of Manitoba, 22 per cent of all children are poor. How can a so-called country of plenty tolerate a province having 22 per cent of all children suffering in poverty? There is no program.

There is the so-called child benefit package program that is supposed to improve the welfare of the poor, this package itself is not indexed to inflation. So over a period of perhaps six or seven years, the benefit will disappear. I really think that the package is an election gimmick. It is to start in 1993, just about three months before the proposed election that the Prime Minister said a few months ago would take place. There is no sense of equalization in this country. So any legislation introduced along this line by this government becomes suspect as to its intent.

In fact, since this government took power, federal spending represents now about only 16 per cent of the gross domestic product and by 1995-96 will fall to 14.5 per cent. No wonder we do not have a sense of national purpose in this country any more. And the government

tries to introduce this bill in an attempt to camouflage its intent.

About transfer payments, one of the major institutions that will suffer will be our medical system. Now this government has continued to say that Canada cannot afford costly health services. This is the Conservative myth for the truth is quite different.

Canada's expenditure on health care as a proportion of the national economy, the public sector spending from 1978 to 1987 has risen only from 5.5 per cent to 6.5 per cent of the gross domestic product. Since 1982, expenditures have been steady at between 6.3 per cent and 6.6 per cent of the gross domestic product. So forget about the Conservative need. In fact, I should point out that Canadians spend in total about 40 per cent less per capita in real dollars for health care than Americans do and our country has a better health care system.

So do not let this government destroy that medical system with its transfer payments. It is predicted by the year 1996 there will be no medicare for Quebec. Perhaps by year 2003 or 2005 there will be none for the whole country and we cannot allow that to happen.

As a consequence of this debate there has been discussion about user fees. In Winnipeg, in the Tory riding of one of the members on the government side, user fees for medicare have been proposed, that patients be billed extra by institutions. It was also proposed at the Tory convention held in Toronto.

Let me say that to date the World Health Organization has said that user fees are not the answer in reforming our health care system. In fact, Canadian studies spanning 20 years consistently report that user fees are a deterrent to accessing health care services. It would be the poor and the elderly living on low incomes who are deterred from accessing medical care should user fees be imposed.

There is a challenge for us to reform the health care system. To date there has been block funding for health care contributions and post-secondary education contributions. On examining this concept I think this was an accident when it was first conceived as legislation. Today there are national standards for national health care but there are no national standards for education.

I ask whether it is better to consider that we split the funding for post-secondary education and for health but reserve the cost transfers for health so that we will be able to maintain the national standards of universality, portability, comprehensiveness, accessibility and public non-profit administration.

This government instead of going with many, many bills, is not addressing the real issue of today insofar as transfer payments to the provinces are concerned. That is giving appropriate transfer payments to the provinces so there will be no cry from them, so that they will not have the cutbacks on hospital beds, the increasing waiting lists for necessary surgery.

On that note I would just like to say that unless this government develops the creativity and the will that it will preserve medicare and contributions for post-secondary education, it will be a sad day when these two systems are destroyed.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I too am delighted to participate in this debate today on Bill C-60. I realize I only have a couple of minutes before Question Period. After Question Period I will be continuing with my remarks on Bill C-60, which is legislation to deal with federal-provincial tax arrangements as well as health and education transfers.

It is health and education transfers that I want to talk about today. Those are two areas that mean a lot to the people in my riding. I am sure health and education are extremely important in every riding of this country.

Since 1986, this government has reduced the growth in health and education transfers. The EPF, Established Programs Financing, was to grow by the rate of the GNP, the growth in the economy.

The Acting Speaker (Mr. DeBlois): Order, please. It being eleven o'clock a.m, pursuant to Standing Order 30(5), the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NATIONAL UNITY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, it is extremely encouraging to most Canadians today when we reflect upon the powerful statement of support for Canadian unity which Premier Bourassa made in Quebec's National Assembly yesterday.

He has placed himself clearly and firmly in favour of one united Canada. By this expression he has demonstrated impressive leadership which renews the confidence of all who pursue this common vision and mission of one Canada.

Let us now continue to move forward as a nation to resolve our constitutional discord with understanding, compassion and common sense. There is new momentum to keep Canada whole; there is new commitment to attain that goal in all corners of our country.

• (1100)

[*Translation*]

Bravo, Mr. Bourassa, and my congratulations to you and to all your fellow Quebecers.

* * *

[*English*]

SMALL CRAFT HARBOURS

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, every year the Department of Fisheries and Oceans turns on the power and other services and starts dredging small craft harbour facilities on April 1.

This year because of the freeze on non-essential spending, fishermen are concerned that these services will not be provided until the money manages to filter down to the regional office in Charlottetown.

Fishermen spend a great deal of time on the wharfs in spring getting ready for the lobster fishery in early May. Any delays in providing services could mean delays for fishermen in a very competitive fishery.

I urge the government to turn on all services at the wharfs and provide all necessary dredging immediately to allow fishermen to make a proper start to the fishing season.

* * *

INTEREST RATES

Hon. Alan Redway (Don Valley East): Mr. Speaker, the Department of Finance says that a 1 per cent increase in short-term interest rates increases the federal deficit by $4 billion. Canadian interest rates are 3 percentage points higher than U.S. interest rates. If the difference between the Canadian and U.S. interest rates was reduced to one-half a percentage point as it was during the 1970s, we could cut our deficit by $10 billion annually, or alternatively use the savings to institute a municipal public works program for much-needed infrastructure such as transit roads and sewers, thus recognizing, as the Minister of Finance said in his budget speech, "the important contribution that adequate infrastructure makes to our competitive position, while at the same time creating jobs in a fiscally responsible manner".

* * *

RACISM

Ms. Margaret Mitchell (Vancouver East): Tomorrow is the international day for the elimination of racism. It is a day to acknowledge the work of many Canadians who believe in justice and a time to renew our commitment to ridding our society of inequalities.

Unfortunately, this government has clearly shown its lack of commitment to the elimination of racism and discrimination by the indefinite deferral of the Canadian Race Relations Foundation, which includes $12 million of the Japanese-Canadian redress settlement, inaction in redressing past injustices of the Chinese head tax, and the internment of Ukrainians, Germans and Italian Canadians, and the cancellation of the Court Challenges Program.

Canadian unity requires equal opportunities for all Canadians, which can be achieved by eliminating racism and discrimination.

Pauline Pellie, an aboriginal elder, told the recent Aboriginal Conference: "We want to be heard, to be respected, to be equal". This is what all minorities in Canada want.

* * *

KIDNEY MONTH

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I am pleased to express my appreciation and sincere good wishes to the Kidney Foundation of Canada on the occasion of Kidney Month for 1992.

The Kidney Foundation of Canada enables Canadians affected with kidney disease and related disorders access to information on prevention, diagnosis, treatment and specialized services. In addition, the Kidney Foundation, with the help of thousands of donors, raises significant sums of money which go toward research, patient services and public education programs.

The Kidney Foundation of Canada urges all Canadians to sign a donor card or the consent portion of their driver's licence if they have not already done so.

I invite all Canadians to join in saluting the Kidney Foundation of Canada and wishing it continued success in its important work of promoting public awareness of kidney disease, supporting excellent research and in encouraging donor donations.

* * *

IRANIAN NEW YEAR

Mr. Jim Peterson (Willowdale): Mr. Speaker, March 21, our first day of spring, is celebrated by Iranians throughout the world as new year's day, or Nowruz. Nowruz, which literally means "new day" is a secular observance of the start of the Persian calendar, the arrival of spring and the renewal of life on earth.

Nowruz festivities have taken place for over 2,500 years, making them one of the oldest observances of nature by humankind.

Iran, formerly Persia, is one of the most ancient civilizations on earth, with so much to offer modern societies. Our own national mosaic has been richly enhanced by those of Iranian descent who have chosen Canada as their home and contributed so much to our way of life.

I wish happy Nowruz to all Canadians of Iranian heritage and thank them for bringing their rich culture and Nowruz to all Canadians.

* * *

HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I asked my constituents how I should vote in the House of Commons.

In response, Rick Mitchell of Campbellville writes me: "Please do not be afraid to break party lines to vote on policy legislation according to what your constituents want. You cannot please all your constituents but you will win their respect by representing us".

Phil Moddle of Acton adds this: "I sympathize with your concerns about effectively representing a diverse group of people and opinions. However, never forget that the vocal minority are only a minor part of your constituency. The other 90 per cent silent majority needs you to do what is right in your heart as only you can properly assess the impact of these decisions. Issues such as referenda, MP recalls and so on bother me because they simply indicate that people do not understand what a Parliamentary democracy is".

I thank my constituents for their advice and understanding.

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CHALLENGE '92

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, this morning's announcement of the Challenge '92 budget by the Minister of State for Youth proves once again that the government is a master at playing shell games with Canada's future. This morning's statement in no way reverses the irresponsible trend set by this government.

Since 1985, 41,000 summer jobs for young people have disappeared as a result of this government's cuts to the SEED budget. Last month, of the 32,000 full-time jobs that Canada lost, 22,000 were held by young people. In 1990, 726,000 students had to work while they studied in order to afford rising tuition fees, lab fees and higher living expenses.

These depressing statistics are only a small sample from a very long list. Students are the architects of Canada's future prosperity and this government's short-sighted outlook is robbing them and our nation of a promising future.

I urge the minister to review his commitment to the youth of this nation and restore funding to an acceptable and responsible level.

* * *

CUSTOM COMBINERS

Mr. Lee Clark (Brandon–Souris): Mr. Speaker, for decades Canadian and American custom combiners have crossed the Canadian–American border to assist with the harvest in each other's country. This practice provides an important employment opportunity for combine owners and crew. In addition, it is a vitally important service to farmers who require such help during the crucial harvest season.

Unfortunately, Canadian custom combiners and their employees entering the United States have been and are being subjected to more restrictive regulations and red tape than has been and is the case with their American counterparts entering Canada. In fact, some Canadian custom combine operators have believed for several years that they are being unduly harassed. As a result, they are frustrated and angry.

Our custom combine operators do not seek revenge. They do not ask that access into Canada be made more difficult for their American neighbours. They ask only that the rules regulating their entry into the United States and their activities there be as fair and just as those which the Government of Canada places on their American counterparts entering and working in our country.

Surely this request is both a reasonable and a just one.

* * *

REVENUE CANADA

Mr. Jim Fulton (Skeena): Mr. Speaker, Revenue Canada has a paid informant program that is out of control.

Since the Conservatives took office in 1984, informants received $836,078 in cash payments, averaging $2,900 each. Revenue Canada claims it does not know the actual number of informants nor does it know the citizenship of the informants. It has advised me in writing that in at least 30 cases, payments have been made to non-residents of Canada. This creates an interesting situation where Canada's tax man is paying informants with hard-earned Canadian tax dollars and the informants pay no income tax. This program is so popular that the Minister of National Revenue has more than doubled his payouts since last year.

Despite a written denial tabled in the House on Wednesday, the Minister of Fisheries and Oceans also has a special cash fund for paying informants. Since 1984, when the Tories came to office, The Department of Fisheries and Oceans has handed out cash to informants in amounts ranging from $50 to $2,000. These secret budget items are hidden in the operations and maintenance accounts and like the business write offs for escort services, reveal the real Tory morality.

[*Translation*]

HIGH SPEED TRAINS

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, I am delighted with the transport committee's latest report on high speed trains and the feasibility study that is now being done for the Quebec City-Windsor corridor—1,215 kilometres long—where about half the country's population is concentrated. This corridor would be much longer than existing high speed railway corridors in Europe.

• (1110)

In addition to the many industrial benefits, the socio-economic advantages, and the potential for exports, setting up a high-speed railway line could very well make Canada a centre of excellence for high speed railway transportation.

Mr. Speaker, building a high speed line, at an estimated cost of five to eight billion dollars, will represent the biggest private investment this country has ever known. This genuine revolution in transportation could generate the construction of 23 corridors in North America, with economic spin-offs and investments totalling $200 billion.

* * *

[*English*]

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, once again the government has shown that profits and trade are more important than protecting the environment and the health of children. In refusing to ban the export of tetraethyl lead, the Minister of the Environment has said it is all right for Canadians to manufacture and export products that will lead to irreversible intelligence loss, memory loss, behavioural problems and nervous system damage in children in Third World countries.

These are the victims of a decision on behalf of Canada to continue exporting tetraethyl lead, but the minister says: "Oh, that's all right, we are going to tell them it is banned in Canada, that we are protecting our children and poisoning their children". That does not make it all right.

The minister has the power to ban the export of tetraethyl lead and end this environmental racism and I ask him to do so. I ask him to table the reports on which this shameful decision was made. I ask the Minister for International Trade, in particular, to assure Canadians that we are not—

The Acting Speaker (Mr. DeBlois): Order, please.

* * *

PROUD TO BE CANADIAN TOUR

Mr. Barry Moore (Pontiac—Gatineau—Labelle): Mr. Speaker, the Kinsmen and Kinette Clubs of Shawville, Quebec are organizing a "Proud to be Canadian Tour" on Saturday, March 28 next, that will consist of various endeavours which will seek to heighten our awareness as Canadians of the very privileged status we enjoy as a democratic and prosperous country.

These different endeavours are scheduled to coincide with Canada's 125th anniversary and consist of activities that will nurture a lifelong relationship with our heritage and flag, encourage stronger ties among all Canadians for further advancement of Canada as a leader in world circles, and to promote our tremendous pride in being Canadians.

I would like to thank the Kinsmen and Kinette Clubs of Shawville, Quebec for their most worthy efforts to bring us all closer together today and in the future.

* * *

CANADIAN AIRLINE INDUSTRY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, the long disgraceful process of destroying the Canadian airline industry and turning it over to the Americans is reaching its climax.

First there was deregulation by Liberals and Conservatives. Then the Conservatives kept the ball rolling with the privatization of Air Canada. Now the last barriers to Americanization are being removed.

American Airlines, in return for buying no more than 25 per cent of Canadian Airlines' equity, will assume effective control. The reservation system and Pacific Rim schedules will quickly be tucked in American Airlines' back pocket. All that will remain will be rationalization of the North American schedules, including domestic Canadian flights.

Thousands will lose their jobs and Canadian Airlines International will exist in name only. Then it will be Air Canada's turn. Spurned by Canadian Airlines, Air Canada will have to seek an American suitor too and that will complete the destruction of the Canadian airline industry, once one of the finest in the world.

Another stunning triumph for the Liberal-Tory wrecking crew.

* * *

RADIO AND TELEVISION PROGRAMMING

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, in the last few weeks I have received petitions from over 1,500 constituents who are concerned about the use of improper language on radio and television.

I believe, as do many other Canadians, that Parliament has a responsibility to ensure that the CRTC, the Canadian Radio and Television Commission, carefully regulates the use of foul language in radio and television programming.

Many of my constituents believe that the efforts by parents to discourage the use of foul language should not be undermined by the radio and television networks, especially those funded by the Crown.

My constituents have asked me to call upon Parliament to ensure that the CRTC is vigilant in enforcing strict rules of conduct insofar as the use of inappropriate language on radio and television are concerned.

Mr. Speaker: I wonder if I could have the attention of the House for a moment. There have been some electronic difficulties and, as a consequence, the microphones are not working in the aisle which is headed by the hon. member for Cape Breton—East Richmond and the hon. member for Windsor West.

I am sure that hon. members would have some relevant suggestions to make to the Speaker concerning this, but in the interest of proceeding effectively with Question Period, if it is necessary for any of those members to speak, the microphones on each side of them are working. If that is not sufficient, the members can change their seats with other members.

Mr. Gray (Windsor West): Mr. Speaker, I just want to assure the House and the public that the interventions of the hon. member for Cape Breton—East Richmond and myself did not cause this power failure, no matter how vigorous they may have been.

ORAL QUESTION PERIOD

[*Translation*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have a question for the Minister for International Trade.

Yesterday, the Minister for International Trade claimed that a new GATT agreement would facilitate free trade negotiations between Canada, Mexico and the United States. Does this statement mean that the government changed its position and that it will not sign an agreement with the United States and Mexico before we can renew the GATT agreements?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I have made it very clear that the priority of the Government of Canada in trade negotiations is the Uruguay round.

We are at the same time negotiating with the Mexicans and the Americans on a North American free trade agreement. Both of those can go forward. One does not have to go forward ahead of the other.

The comment that I have made, though, is that with certain elements agreed upon in the Uruguay round, the multilateral negotiation, it removes those matters from the table for the Mexican negotiations and therefore would make the North American free trade negotiations easier to conclude.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, there is a report today in the *Financial Post* that the office of the U.S. trade representative is establishing a Canada watch committee. It sounds to me like a trade CIA. According to the report, one of the first things the committee is planning to do is to launch a public relations campaign to try to convince Canadians that the free trade agreement is working for them.

Is the minister aware of the new American PR committee, and does he think that it is the proper thing for the Americans to do at this time?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think that my hon. friend should be welcoming this sort of interest on the part of the U.S. trade representative. I think he and we, from time to time, have some criticisms to direct toward the Americans on their conduct of the trade relationship between Canada and the United States.

If this signals a concern on the part of the U.S. trade representative about the state of the relationship between Canada and the United States in the area of trade, then that certainly can be welcomed.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have to disagree with the minister because it is very unusual for a government to come and make propaganda on another level or in other nations. This is not just a bunch of small level functionaries, as the Prime Minister would say, but this is an office under the leadership of Carla Hills and she is a member of the Bush administration.

So now that big business in Canada is no longer willing to put up money to defend the free trade agreement, does the minister find it normal at this moment that the American government will have to pay to come to tell Canadians that what is good for America is necessarily good for Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I do not think that my hon. friend should be jumping to these sorts of conclusions.

We make our views known in the United States. We have advertisements in the United States. We have literature that we distribute to people who have interests in U.S.–Canada trade relationships so that they are aware of our views. If the Americans decide this is something they would like to do, that is part of a better understanding of the relationship.

• (1120)

If the Americans were going to put forward views that we fundamentally disagreed with and we felt that they were distorting the understanding of the picture, you can be absolutely sure that we would be speaking out very strongly both here in Canada as well as in the United States.

[*Translation*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister for International Trade. On the eve of a North American free trade agreement, Canada is simply not doing enough to build its industrial base.

In order to get us ready for this agreement, what concrete initiatives will the government take to adapt our industrial structure and modernize our economic base?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): First of all, Mr. Speaker, let me put things in perspective.

We have some $2 billion to $2.5 billion of two-way trade with Mexico and we have some $250 billion worth of trade between Canada and the United States. There is a fundamentally different order of magnitude in the trade among the three countries.

My hon. friend asks what we are doing to prepare Canadian business. One of the things that we have done is to launch the prosperity initiative which is a broad dialogue both with Canadians in general as well as with 31 industry sectors where we are seeking to have an in-depth dialogue with them on the things that are necessary for these industries to compete on a world-wide basis.

These discussions I can tell my hon. friend have been very forthcoming, very productive. There will be reports that he will be able to review sometime within the next few months.

There will be an action plan announced by the steering group sometime in the early fall that will set out what all Canadians should be doing, what the federal government, what other levels of government, what management, what labour, what educators, what scientists, what Canadians as a whole can be doing to respond to the global challenges in economic policy and in the actions that they can individually take.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my supplementary is for the same minister.

I wonder if the minister lives in this century if he does not know now what we should be doing. In terms of wages, workplace safety, and the enforcement of environmental standards Mexico lags far behind Canada.

In terms of manufacturing capacity however, that country is moving up the curve at an incredible rate. Make no mistake. Mexico is going to be the base for a massive thrust into North America on behalf of the Asians and on behalf of the Europeans. We need more than empty words and studies and lowered inflation rates to meet this kind of competition.

The question is, beyond the talk and empty studies that are simply confirming what every person in this country really knows, what is the government actually doing to gear the country up for the real world that lies ahead?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my friend was in the private sector and he knows that governments cannot ensure that companies are productive and competitive. It is up to the management and the workers in those companies to do the things that must be done to ensure their competitive position.

I can tell from the look on my hon. friend's face that he agrees with me.

In addition to what I have just said one of the key elements that we are trying to espouse and to encourage in the work that we are doing in these industry studies is the adoption of things such as total quality management. My friend is also very much aware of the impact of total quality management on the productivity and the effectiveness of a company because of studies that have shown that the companies which accept total quality management can improve their productivity by 20 per cent.

This is one of our objectives in the prosperity initiative.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I too want to address a question to the Minister of International Trade. We have just heard him reject the de Grandpré report which was asked for by this government to keep a promise by the Prime Minister that there would be the best adjustment programs by the government anywhere in the world.

Now we have heard them deny that.

My question is for the minister concerning the proposed North American free trade agreement with the United States, Canada and Mexico.

Despite the secrecy required by the Canadian government for information, the Mexican Senate has had open access with the ability to discuss the details.

I want to quote from a letter I have from a Mexican senator relative to article 402: "Article 402 refers to the extent of obligations, i.e., no goods shall be discriminated against by states or provinces of another country under the argument of state sovereignty especially in the United States and Canada".

I want to ask the minister: Does he agree with article 402 which would prohibit a province through its provincial government to do some preferential buying of its own products here in Canada and at its own budget expenditures?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, possibly the hon. member might give me the benefit of that letter, rather than just dropping it on me in the House this morning. Since he has read from it, he should be tabling that letter in the House of Commons.

My hon. friend has also, in the preamble to his question, said that I just rejected the de Grandpré report. It is that sort of distortion—

Mr. Barrett: You said it was a business responsibility.

Mr. Speaker: The hon. minister may wish to complete his answer.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, what I wanted to say is that we accepted a large part of the de Grandpré report contrary to the distortion of my hon. friend.

One of the primary considerations and primary recommendations of the de Grandpré report was to increase the amount of training that we do for Canadians who are between jobs. That was precisely the purpose of Bill C-21 in the last session. It increased the amount of training moneys by some $750 million.

I would expect that my hon. friend would take back the ill-advised remark that he just made.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, since I cannot enter into debate on the previous answer, I will just say that we certainly have a difference of opinion.

I want to refer again to this letter which I will table. By the way, I understand that the minister has been requested to table the letter he referred to yesterday from Senator Gephardt and I hope that the minister will table that in the House today.

In this letter from the senator to me, which I will table in this House and have made public over the last two weeks, there is detailed discussion sector by sector of the draft bracketed treaty. I refer specifically to article 402, and if the minister is not familiar with article 402, of course, he can refer to this document.

In general, is it correct that the agreement will have a clause that says: "No goods shall be discriminated against by states or provinces of another country under the argument of state sovereignty, especially in the United States and Canada". Would that agreement signed under this wording prohibit a province from doing preferential buying in its own province with its own budget?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend referred to a quote that I made in the House yesterday.

I might say that this quote is in a publication called *U.S.-Mexico Free Trade Reporter*. I would be happy to table this excerpt. But I might go on to say that Hills has classified the U.S. negotiating position as secret and congressional staff members must have security clearance to view the documents. That is counter to what my hon. friend has been saying, but I would be happy to table this document.

My hon. friend has been putting two questions to me on very specific items of the negotiations. What I was saying in the House yesterday was that there was an opportunity to do that in committee, which my hon. friend did not take advantage of.

He was braying like the donkey I was referring to yesterday and trying to make some political points. He did not take the opportunity to ask some specific questions on what the free trade agreement would entail or not. I would invite my friend to come to the committee

meeting and engage in that sort of discussion or possibly, if he could get over his political hurdles, to come to the briefings from officials that we had yesterday afternoon.

• (1130)

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I have a document from a Mexican senator and what I have asked for is the same privileges that a Mexican senator has had to quote specifically from the article, specifically write letters about the draft bracketed agreement.

Why can members of Parliament not have the same access and the same rights that Mexican senators have been given about this specific agreement? Why not?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the Mexican senators have seen a copy of the Mexican text. They have not seen a copy of the Canadian text and they have not seen a copy of the American text. The briefings that they have been getting are based on the Mexican text.

The Mexican government has certain objectives in a free trade agreement. We have certain objectives as well.

I invite my hon. friend to come to the briefings and receive the—

Mr. Barrett: I want the same access the Mexicans have.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, it is hard to make myself heard over the braying of the hon. member.

Mr. Speaker: The hon. member for Windsor West.

* * *

BANK OF CANADA

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Acting Minister of Finance. This week we learned from the annual report of the Bank of Canada that average salaries at the bank rose 6.6 per cent in 1991. This was almost double the average wage growth and a full 1 per cent higher than the average rate of inflation last year.

Why did the government agree to a salary increase at the bank much higher than it allowed its own public servants and almost double the national average for Canadians? Why this "do as I say, not as I do" approach when it comes to wage increases at the Bank of Canada?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, in 1990 the board of directors, which runs the affairs of the Bank of Canada, under the Bank of Canada Act approved a salary scale increase of 4.75 per cent for the year 1991. Because it began on January 1, 1991 it was before the government brought in its restraint program.

I think more importantly, for the year beginning January 1, 1992, the bank's board approved a package which included no increase in the basic wage rates or salary ranges and a freeze of senior managers' salaries. This is their zero year at the bank.

Hon. Herb Gray (Windsor West): Mr. Speaker, my figures come from the 1991 report for a time when the Governor and the Government of Canada were lecturing Canadians about wage restraint. The government owns the bank. The deputy minister of finance of this government sits on the executive committee of the bank's board of directors.

How can the government and the bank expect to be taken seriously by Canadians when they talk about wage restraint under these circumstances and in the face of the plain figures in the government's own report from the Bank of Canada for 1991?

Hon. John McDermid (Minister of State (Finance and Privatization)): The article overstates the increases because of the downsizing at the Bank of Canada. The increase is 4.75 per cent for the year 1991.

For 1992, the increase is zero. This is their zero year. They are abiding by the wishes of the government at the Bank of Canada.

* * *

REVENUE CANADA

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Acting Minister of National Revenue. As the minister will know, a former employee of his department, Mr. Ted Reid, informs us that in 1986 Revenue Canada issued a memo permitting businesses to keep over-collections of the federal sales tax, thereby short-changing taxpayers of Canada by some $100 million.

I want to ask the government: when did it discover this issue? What measures has it taken to preserve the integrity of our tax system in Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, this matter was raised some time ago in the House of Commons, I believe it was about a year ago. At that time the Minister of National Revenue made a statement on behalf of the government.

The matter has been raised subsequently by the Revenue Canada employee referred to in my hon. friend's question. The matter has been a subject of considerable analysis and examination since then because of the nature of the complaint. Subsequently the complaint was brought forward by the former Revenue Canada employee and it is now, at the Revenue Canada employee's request, before a Manitoba court. Under the circumstances, I think it would be inappropriate for me to comment further.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, is it not ironic that Canadians are being gouged by the GST while others are pocketing $100 million of taxpayers' money?

[*Translation*]

Mr. Speaker, my supplementary is for the same minister. How will he explain to Canadian taxpayers, to ordinary people who are being bled white by the GST, that 100 million of their tax dollars were given in that fashion? How can the government justify such action?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I know my hon. friend is a fair individual. I expect that he would withhold drawing certain conclusions, as he has just done, until this matter has been heard.

Mr. Rod Murphy (Churchill): Mr. Speaker, my question on the same topic is for the same minister. This ruling was made in 1986. In 1988 when he was Minister of Finance he wrote a letter to one of his own constituents and in the letter he said: "An adjustment now would thus constitute a windfall gain to the firm unless it was passed back to customers in the form of price reduction".

The government has been aware of this loophole since 1986. It did not act to close it. It did not act to inform small business and consumers. Why, when such a significant change was made, which increased tax refunds to corporations to the level of $150 million, was it not gazetted? Why was that not sent out to all small businesses and consumers?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I have referred to the matter that my hon. friend has raised in response to a question from the member for Glengarry—Prescott—Russell. I have stated that at this time it is in appropriate to go further than what I have just said.

Mr. Rod Murphy (Churchill): Mr. Speaker, it is a civil suit in Manitoba. I asked a question not about the court case, but why this government, knowing that it had made a very significant change for which forms are out there now with former civil servants, making sure that corporations get this money from the federal government with no responsibility to make sure that small businesses and consumers that were over-charged receive the money in the end. Why did the government, knowing what was happening—and it has known for five years—not inform the public? Why is the rip-off occurring? Why is the customer who overpaid in the first place not getting the money?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I have responded to that question.

* * *

AIR DISASTER

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the FAA of the United States has told me that it is continually investigating new information as it comes to light regarding the Arrow air disaster in Newfoundland, Canada's worst air disaster on Canadian soil.

I want to ask the Minister of Transport, is the government aware of these ongoing investigations by the FAA and in particular, of a criminal investigation ongoing?

Does the government not feel ashamed that it refused to reopen the case, even after Judge Willard Estey, who was not allowed to look at any new evidence, concluded that the findings of the Canadian Aviation Safety Board were completely erroneous? Does the government not feel ashamed that it is now leaving it to the FAA in the United States to find the real cause of Canada's worst air disaster on Canadian soil?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we would be ashamed if this had been the conclusion of Justice Willard Estey. After the Canadian Aviation Safety Board of the day completed its investigation in 1985–86 of this very unfortunate accident of December 1985, because of the inconclusive results of the investigation by the CASB, we asked Justice Willard Estey to look into it. His conclusion was that no further investigation was warranted.

• (1140)

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, he concluded that the real cause was not what the Canadian Aviation Safety Board said it was.

On Wednesday, I spoke on the telephone to one of the chief criminal investigators in the security division of the FAA in Washington. He had to go to a pay phone to feel safe talking to me. From that information, I then recited what was in a report on the administrator's desk in Washington on Monday, the number of pages and who signed it concerning this case. Only then did they admit to me that they have had a criminal investigation ongoing since January 1991.

I will give the minister the name and the telephone number of the chief investigator if he wants to know it. Will the Government of Canada now reopen this case and demand to be full partners in the investigations that are ongoing with the FAA, and this time to demand that the U.S. military and the FBI and authorities in the United States and Canada, who have any knowledge of this subject, be forced to give full disclosure? The families of the 256 victims deserve to know why their loved ones died.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I understand that this person might have requested to go to a pay phone because of the member, if he was speaking to him in the same voice that he is now speaking.

The truth of the matter is that there have been all kinds of allegations since the conclusion of Justice Estey's report to the government. There are ongoing allegations and insinuations. There has been no new evidence brought forward, but if there is any new evidence, we will certainly examine it and then act accordingly.

* * *

VETERANS AFFAIRS

Mr. George Proud (Hillsborough): Mr. Speaker, my question is for the Acting Minister of Veterans Affairs.

In his recent statement regarding resistance fighters, the Minister of Veterans Affairs stated he was planning to return war veterans allowance to its original purpose.

I would ask the government to assure the veterans of Canada that it was referring to resistance fighters only, that it was not announcing a plan by the back door that would cut veterans off the war veterans allowance when they reach 65 years of age?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, my colleague, the Minister of Veterans Affairs, is out of the House of Commons on business. I can assure the hon. member that the goal of my colleague is to provide the best possible assistance to all war veterans.

He will certainly be sensitive to the concerns raised by the hon. member and will want to give reassurance to war veterans that everything that can be done by the government in order to support them properly and to recognize their important contribution to Canada will be done.

Mr. George Proud (Hillsborough): Mr. Speaker, I thank the hon. minister.

I would ask, in that case, when members of this House might expect that legislation will be brought forward pertaining to war veterans allowance, legislation which will be necessary to implement the changes that the minister recently announced?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, I cannot give my hon. friend a date today. My colleague, as I mentioned earlier, is out of the House today. I am sure that he will be in touch with my hon. friend early next week when he is back in Ottawa.

SMALL BUSINESSES

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the minister responsible for small businesses.

In the February budget, measures were introduced to assist small businesses that are in financial trouble in the midst of this recession. I would like to ask the minister just what steps have been taken to make small business aware of how to request the provisions of that program and particularly what instructions or encouragement has he given to the banks and to chartered accountant firms to help to implement that program?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I would like to thank my hon. colleague for his very responsible question.

This is an important part of the budget provisions that affects small business, the Small Business Financing Program. It is recycling, in part, a program that existed before 1987. There is an interpretation bulletin out there, Interpretation Bulletin 507, I think it is, which I encourage people in the small business community to take with them to their banks.

I have spoken to the Canadian Bankers' Association about this. It has indicated that it will co-operate. I have just written to the CEOs of all major banks, plus the CEOs of the other financial institutions, to make them aware of this program and to get them sensitized to its importance. That has been done.

It is important to know, though, that the legislation necessary to support the program is in the drafting stage. Since this was part of the budget, the program is in force as of now from the date of the budget. I would encourage all small business people with financial problems to apply for this program if it suits them and I would encourage them to see their financial institutions to ascertain the necessary information.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, the imposition of the U.S. penalty duty on value added to softwood lumber has forced many British Columbia wood manufacturers to consider moving their manufacturing facilities south of the border and to export rough beams or cants which will be liable to only one-third of the duty that would be imposed on remanufactured wood products.

This will dramatically reduce the number of jobs in the remanufacturing and secondary wood processing sector which was to be the promise for future jobs in the B.C. forestry industry. It will also reduce the availability of raw material for the B.C. remanufacturing sector.

What action does the minister of trade plan to take now to counteract the impact of the 14.5 per cent softwood duty on value added in order to prevent the export of B.C. softwood remanufacturing industry south of the 49th parallel?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I agree with the concern my hon. friend has expressed. It is something that I have discussed with the people who are wholesalers shipping into the United States as well as the remanufacturers. I fully sympathize with the concerns and the anger they have expressed in this matter.

We have discussed this and we are continuing to discuss this with the U.S. department of commerce and the U.S. trade representative in order to see whether there is a way that we can have some adjustments to the way the bonding is required, comparable to the way that this was done back in 1987.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I hope the minister is aware of the urgency in this situation.

Soder Industries, a remanufacturing firm connected with International Forest Products, has already moved to the U.S. and other major firms have plans to follow.

I have a letter from Skagit County Economic Development Office in Washington state offering tax incentives, tax credits, and low interest loans to lure B.C. firms to move to Skagit county.

By the time the minister has finished his discussions or has gone to the free trade panel, a substantial part of that industry will already be south of the border.

What action will his government take immediately to fight U.S. subsidies and to ensure that wood remanufacturing jobs remain in British Columbia?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I can assure my hon. friend that we fully understand the urgency of the situation and are taking action right now in taking the matter to the U.S. administration in order to get a change in the way that this is proposed.

I would caution my friend, and through him his constituents or people taking precipitate action on this, to allow the process to unfold. I would hope we will be able to address his concern, which is not a concern limited to British Columbia but is in other parts of the country as well.

* * *

INTEREST RATES

Mr. Garth Turner (Halton—Peel): Mr. Speaker, yesterday the Bank of Canada rate dropped by 17 points and analysts are saying today that interest rates in general should continue to decline.

My question is for the minister answering for the Minister of Finance. The Bank of Canada rate is 7.65 per cent. Inflation is 1.6 per cent. Yet the chartered banks this week jacked the five-year mortgage rate up to 10.5 per cent, even when their own analysts are saying that rates should drop in the future.

Does the minister have any advice for the banks like: let's stop gouging consumers?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, as the hon. member pointed out, the bank rates did drop 17 basis points yesterday. That is most encouraging. During the last few weeks we have seen some volatility in the marketplace. The banks and mortgage lending institutions have increased their rates somewhat.

• (1150)

However, we are encouraged at the drop in the bank rate yesterday, together with the good news of our exports being up 4.6 per cent in the month of January and the inflation rate today holding below 2 per cent. There is some very good news out there.

To answer specifically the question of my hon. friend, the mortgage lending rate business is a very competitive business. We have seen the Bank of Montreal leading the way in lowering rates and so on. I am sure that with the drop in the bank rate we will see further movement in the mortgage rates as well.

IRVING WHALE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my question is for the Minister of the Environment.

The *Irving Whale* is a sunken oil barge off the north shore of Prince Edward Island that contains 3,100 tonnes of heating oil which is slowly leaking from the barge. This sunken barge is an environmental disaster waiting to happen. It has the potential to destroy our north shore fisheries, damage our beaches and threaten our tourist industry.

Will the minister advise the House what action the government has taken since we last asked this question in December 1990?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I was in Prince Edward Island a few weeks ago. I remember having discussed this matter with our officials at the time who are closely monitoring what is happening around the wreck of the *Irving Whale*.

If I remember correctly, there is a study being undertaken now to determine what is the best course of action. We have to be careful not to assume that there is a simple method by which we can extract this wreck and deal with the problem of its oil content. We would want to proceed carefully to make sure that whatever measure we contemplate would be as environmentally sound as possible, given the special circumstances we are dealing with.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, that study has not been undertaken. In February 1991 it was announced that a study would be undertaken to provide advice on how best to deal with the *Irving Whale*. That was over 13 months ago, and this study has not even begun.

How can the minister say with a straight face that his government is concerned about this issue? After 390 days a contract for this study has not even been tendered. What is he waiting for?

Hon. Jean J. Charest (Minister of the Environment): As I have already indicated, Mr. Speaker, my information is to the effect that the government—and I think it is in co-operation with the Department of Transport, if my memory serves me correctly—monitors regularly and systematically the wreckage to ensure that we know what is going on.

I will be happy to look into this matter and to come back to the hon. member to see where we are at and to see whether we should not do anything specific to deal with this.

* * *

IMMIGRATION

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, my question is for the Minister of Employment and Immigration.

On Monday, 28 refugees will be deported to Lebanon after spending two and a half peaceful years in Montreal with their families. I want to ask the minister: how can the government deport refugees to Lebanon when for security reasons we have not yet reopened our embassy in that country, when war continues in south Lebanon, and when there is terrorism throughout the country?

I want to ask the minister if he will use his humanitarian discretion and stop these deportations immediately.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member and members of the House should know that we do not make wholesale deportations of people to Lebanon or to any other place where there are difficulties.

Each case is looked at. There is a review on humanitarian and compassionate grounds for each case. This has happened and will happen in this case like any other.

[*Translation*]

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, I have a supplementary. I visited those 28 refugees yesterday in Montreal, and their deportation is scheduled for Monday and Tuesday next week. As I mentioned, our embassy in that country is still closed. A war is still going on in southern Lebanon. How can the minister consider deporting those people? Where is Canada's humanitarian spirit?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the member is trying to tarnish Canada's reputation for dealing with refugees, but the people to whom he refers have gone through the refugee determination process. They are not refugees. They were not found to need Canada's protection and, in this case as in all others, the law will be applied.

[*English*]

SMALL BUSINESSES

Hon. Alan Redway (Don Valley East): Mr. Speaker, earlier in Question Period, the Minister of State for Small Businesses and Tourism indicated that he had been in touch with the banks urging them to co–operate in connection with the budget measures announced in relation to small business.

One month after the budget the banks are still saying that they have no knowledge of these programs and are not prepared to do anything about them. If that continues, is the minister prepared to use the facilities of the Federal Business Development Bank to put these measures in place because, as the minister knows, many of these small businesses are just barely hanging on by their fingernails?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, what we have done is that we have spoken to the Canadian Bankers' Association intensively to make sure that we have the best possible designed program for the SBF program. It has some suggestions for improving it. That is what we are going to incorporate into the circular which we will have out shortly.

We are communicating this and within 10 days time the member will have the new circular. In the meantime he should know that he can use Interpretation Bulletin 507 from the 1987 program, take those to the bank managers, and get work under way.

* * *

ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr Speaker, my question is for the Minister of the Environment.

Yesterday Canada's environment ministers endorsed the federal commitment to stabilize Canada's contribution to global warming by the year 2000 at 1990 levels. Would the minister tell this House what base line figure the ministers used yesterday as the actual 1990 CO_2 emissions for Canada?

Is it the National Energy Board figure of 517 megatonnes? Is it the Energy, Mines and Resources figure of 508 megatonnes, or is it the Canadian Council of Environment Ministers at 467 megatonnes?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I am happy to report that as a result of work done with provincial ministers of environment, with territorial ministers of environment, and with my colleague, the Minister of State for the Environment, there was an endorsement yesterday of this important goal, contrary to what seemed to be the general thrust of the statement made by the minister of energy in Ontario. There was also an endorsement in recognition of the fact that some work had been done with departments of energy throughout Canada in dealing with this issue.

We are going to concentrate on three areas essentially: first, by identifying specific actions; second, by anticipating and preparing for potential changes that climate change may bring about; and third, by improving scientific understanding.

Part of that work is going to include perfecting the information we have on the inventory side and putting forward more action in terms of reducing emissions. That will include resolving the issue the hon. member is bringing forward in terms of identifying a clear consensus on the base line year.

Mr. Jim Fulton (Skeena): Mr. Speaker, someone must be able to tell Canadians what the actual releases in 1990 were. Otherwise this whole exercise does not mean anything.

My supplementary question is for the same minister. In the September 1991 tabled response to the standing committee report *Out of Balance*, the minister on page 7 committed the federal government to examining the feasibility of the all-party recommendation for a 20 per cent reduction from the 1988 levels by the year 2005.

When can Canadians expect the publication of this study which apparently has been put on hold within the minister's department?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I think the hon. member will recognize that a lot of work has been done in this area. We must not lose sight of the fact, for example, that for the first time we know of deputy ministers of energy and environment met recently to deal with this issue. It is going to require a great deal of co-operation within government and within jurisdictions to attack this problem.

• (1200)

We, in response to the member's question, have taken a position based on what we think is a first step. As he will know, the climate change convention is going to be very much part of the conference happening in Rio de Janeiro in a few weeks from now.

We hope through this climate change convention to engage countries from all over the world. That is the first priority that this government has set. Whether we will go beyond that or not is something that we will want to examine at that time.

Mr. Speaker: I have several points of order and I will try to take them as I have received notice.

* * *

[*Translation*]

POINTS OF ORDER

CLARIFICATION OF ANSWER

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to clarify the answer I gave yesterday, March 19, in this House to my colleague, the hon. member for Ottawa South, since I think I may have involuntarily misled the House.

As I already said, the government has nothing to hide and I would point out that Judge Virgil Moshansky has indeed tabled his report to the government. That report will be made public next week.

[*English*]

REQUEST FOR TABLING OF DOCUMENT

Mr. Speaker: The other matter I might deal with was the point of order raised yesterday by the hon. member for Esquimalt—Juan de Fuca with respect to a document from which the hon. minister read. The hon. member is not here. Does the minister want to comment?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I tabled the document that I referred to this morning, but I would be interested in my colleague's paper. My understanding is that that particular reference was to the Mexican text. I just wanted to confirm that since that is what I had expressed in my answer.

Points of Order

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I would just note two things. The first is that the hon. member for Esquimalt—Juan de Fuca has already said that he will happily table the document from which he quoted, I would assume today, as soon as copies are available.

Second, his point of course was that there is at the very least a convention, if not a Standing Order, which holds that when a member reads from a document, especially a letter or other communication, "in an attempt to influence debate" I believe is the exact wording, but it applies as well in Question Period—at least, that has been the practice here—that it is incumbent upon the member, should he be asked to do so, to table that document.

That was the point raised by the hon. member yesterday and one on which he asked you to rule. I understand that you are now delivering yourself of that ruling. Is that correct?

Mr. Speaker: I may have misunderstood what I heard. Perhaps the hon. minister can assist the Chair. I thought the minister said that he had tabled it. I think that is the end of it.

STANDING COMMITTEE ON FINANCE

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I would like to say at the outset that I raise this matter not in an attempt to assess any blame but rather to prevent the setting of what in future might prove to be a discomforting precedent.

I have here a copy of a committee notice dated yesterday afternoon at 4.30 p.m. and I understand circulated this morning for a meeting of the finance committee next Wednesday, March 25, for the purpose of considering Bill C-60, an act to amend the federal-provincial arrangements, et cetera. It notes that the business of the committee at that time in this consideration will be clause-by-clause consideration.

Although some may reasonably assume, nonetheless we do not know that this bill will be passed by this House and referred to the committee this afternoon. In essence what is happening here is the order of reference to the committee contained in the motion for second reading has not passed the House and thus, in effect, the committee is anticipating the will of the House.

This is not a grave matter. Everyone would acknowledge that. It is just that, unfortunately, what seems to have happened here is that the anticipation of the order has included what would seem to be an omission of the possibility of the calling of witnesses by the committee for the study of the bill because the notice refers to clause-by-clause study which of course comes only after witnesses are heard.

Therefore, Mr. Speaker, I would appreciate your ruling that the committee cannot properly anticipate an order of the House in this fashion.

Mr. Speaker: I do not know that there is any need for a ruling.

I am advised that the notice has gone out by error, and I would hope that it would not be repeated. I do not think under the circumstances with that information coming to me from my table officers there is any need for the Chair to make any kind of a ruling.

COMMENTS OF MEMBER FOR CARIBOO—CHILCOTIN

Mr. Jim Fulton (Skeena): Mr. Speaker, I was wondering if you had the opportunity to review page 8181 of *Hansard* in relation to the point of order I raised yesterday.

Mr. Speaker: I have to advise the hon. member that I have not had a chance to consider it fully.

SPRING

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, on a more cheerful note, this being the first day of spring and in keeping with a long-standing tradition, I have the pleasure today on behalf of all of our colleagues from British Columbia to display the evidence that at least in one part of the country, namely British Columbia, spring has arrived in fact.

The daffodils with which the members have adorned themselves this morning come to us courtesy of radio station CKNW of Vancouver. This annual ritual is designed to celebrate the unique characteristics of our region of this country, but it has a very special significance this year.

Spring is a sign of renewal and a sign of hope. Let those of us who are privileged to serve our country in this House of Commons be inspired during this season of the year to renewed strength and courage to face the challenges that lie ahead, to keep building on the foundations of a strong and united country and to achieve the greatness to which our nation is destined.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING OF REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which 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.

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[*Translation*]

WORLD FRANCOPHONIE DAY

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, if you will allow me, I should like to take a few minutes to draw the attention of hon. members to the fact that today is World Francophonie Day.

As you know, March 20 was chosen because it was on that day in 1971 that the Agency for Cultural and Technical Co–operation was founded, also known as the ACCT.

In addition to being the prime mover behind the francophone summits, this intergovernmental organization has also become the general secretariat for the Francophonie. Jean–Louis Roy, a Canadian, has directed the secretariat for the past two years.

For over 430 million men and women in more than 40 countries, March 20 has come to represent the beginning of an attempt to organize the francophone world as a community of states and governments that have the use of French in common.

Originally, Francophonie referred to a complex of cultural entities where French was spoken. Today, Francophonie more aptly designates a forum for dialogue and co–operation where communities from the south and the north can meet and build their future together.

After the initial cultural relations that provided the basis for this forum, the communities have now expanded their exchanges to include a number of crucial areas such as scientific and technical information, communications, the environment and the economy.

Mr. Speaker, the Francophonie came into its own with the advent of conferences involving heads of state and heads of government, which provided a new sense of purpose, a desire to include political dialogue as well and to consolidate its institutions.

The first francophone summit, held in Paris in 1986, attracted some 40 heads of state and heads of government.

• (1210)

Since then, the francophone family has grown, the attraction of the Francophonie being the strong links that have been forged for over 20 years through this institution.

The last summit at the Palais de Chaillot in Paris last November was the fourth francophone summit. Quebec City hosted the summit in 1987, and Dakar was the host city in 1989.

Three new countries had asked to attend the proceedings at the conference at Chaillot: Cambodia, Bulgaria and Romania, the latest addition to a community of states that are either fully or partly French–speaking.

Mr. Speaker, on that occasion, Canada proposed a joint statement in which heads of state and heads of government made a commitment to actively support the democratic process and respect for human rights. Furthermore, Canada decided to back up its proposal by undertaking to finance a unit within the ACCT to support democratization and human rights.

Canada also supported establishing a network of legal clinics for women.

Yesterday, as part of the activities around the World Francophonie Day, I hosted a reception—you were there, Mr. Speaker—for members of the diplomatic corps and representatives of organizations that are part of the Francophonie's extensive family. I took this

opportunity to invite them to a preview of a special program on the Francophonie produced recently by TV-5. This program, which will be broadcast today, is unusual among artistic and cultural programs in that it emphasizes the tangible achievements of the Francophonie, initiated not only by summits but also by special ministerial conferences on the environment, culture, youth and sport. In the years to come, we would like to see more emphasis on the importance of this day and increasing involvement of Canadians across this country.

In concluding, Mr. Speaker, I would like to take this special opportunity to remind hon. members that today, Canada is the only country that belongs to the Commonwealth, the Francophonie and the Organization of American States, as well as to the United Nations and a number of other organizations where our linguistic duality and cultural diversity are an asset.

Canada's membership and unique influence within some of the world's most important organizations are certainly cause to rejoice. In fact, thanks to this unique position, Canada has been recognized as playing a very special role in the world today.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, like so many others, I am a statistic of our policy on the francophone community. I come from old Acadian roots, but unfortunately my grandfather did not speak a word of French. I am now trying to correct that deficiency with my daughter, but it is getting harder and harder and I will tell you why.

Of course, we English speakers and French speakers in this House are celebrating the tenth anniversary of *La Francophonie*. It gives us a chance to show the world that we rejoice in the fact that our country has two official languages and two founding peoples. It is too bad, Mr. Speaker, that since this government took power, it seems that the survival of Canada's French-speaking community outside Quebec is increasingly in doubt.

I will give you, for example, the comments made by the director general of the federation of francophone and Acadian communities of Canada, Marc Godbout, referring to the government's silence on the participation of francophones outside Quebec in the constitutional reform process. He said: "It's blocked from the Secretary of State Department to the Prime Minister's Office."

Mr. Godbout is quite right and I will tell you why. Since he took office, the Prime Minister has never met with the federation's representatives.

On March 18, just two days ago, the Prime Minister's lieutenant, Benoît Bouchard, made a stinging comment in the House, saying that even if francophones outside Quebec asked for it, they would not be at the negotiating table in the same way as the native people are. He said that the million Italian Canadians had not asked for anything. Again in the House yesterday, he repeated what he thought about the status of the French community outside Quebec and it is very unfortunate that it is being downgraded every day by this government.

On March 16, the Minister Responsible for Constitutional Affairs said as he was leaving the House that he did not understand what the federation of francophone and Acadian communities wanted. On March 4, the Secretary of State of Canada really shook the francophone communities of Manitoba and Alberta by telling them that the federal government was withdrawing from its commitment to sign federal-provincial agreements on consolidating their institutional and community development.

Again, on February 26, Mr. Speaker, another highly placed minister in this government, the Deputy Prime Minister and Minister of Finance, announced the abolition of the Court Challenges Program, which since its implementation has given francophones outside Quebec an opportunity to exercise their rights to trials in French and education for their children in French, which have regular constitutional protection only in Quebec and New Brunswick.

In order to justify the government's decision to abolish the Court Challenges Program, on February 28, the Minister of Multiculturalism and Citizenship, another member of the Mulroney cabinet, told this House, and I quote: "We have built up a certain amount of jurisprudence and this program should now be funded by others, perhaps at the provincial level, or by non-government organizations". Moments later, a senior minister, the Minister of Justice, added: "We are in fact the only level of government that has been willing to fund these kinds of cases".

Considering that the Minister of Justice said straight out that no other level of government was going to take over, why stifle the voice of the French fact here in Canada? On February 26, a meeting of the committee on official languages was called but had to be adjourned for lack of a quorum, Mr. Speaker. Only one Conservative member showed up, and he was sitting in for one of the regular members of the committee. In fact, there has

been no meeting on the nature of the committee's mandate since May 1991.

Our critic on this issue, who has been fighting long and hard for the French-speaking community in Canada, Mr. Jean-Robert Gauthier, urged and continues to urge the Prime Minister to reconsider his plans to abolish the Court Challenges Program.

There is more evidence, Mr. Speaker. A survey published in *Le Droit* shows how precarious the situation of francophones outside Quebec is, indicating that 44 per cent of Franco-Ontarian eighth graders have English as their first language at home.

I could quote more statistics. All this to say, Mr. Speaker, that we do want the Francophonie to be celebrated world-wide, but that we want this government to start by changing its policy of stifling the French-speaking community here in Canada. And we intend to keep fighting for the celebration of the Francophonie world-wide, but especially at home in Canada, where this protection is essential to the survival of our great-grandparents' language for the benefit of our children.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I am pleased to talk today about the International Day of the Francophonie. Canada joins more than 40 member nations of the Francophonie, including Quebec and New Brunswick, to celebrate this day which is an opportunity to reflect on the challenges that we must face in this very important period of our history.

• (1220)

It is in 1986 that the francophone community project took shape. Since then, four summits have been held in Quebec, Paris and Dakar. More than 40 nations representing close to 400 million men and women participated in those events. The Francophonie is primarily based on language and a set of values.

The Chaillot declaration, which was passed at the conclusion of the fourth summit of countries using French in Paris last November includes a speech on the commitment made by member countries to abide by the principles governing fundamental human rights. However, there is an enormous gap between reality and the rhetoric used by the members of the Francophonie.

The Francophonie is still at the consolidation stage. It is important that this organization faces the challenges regarding human rights, democratization and development.

Last October, the Prime Minister said that Canada would not subsidize repression and violations to freedom because, in the field of international relations, nothing is more important than the respect of individual liberties and human rights. However, the final Chaillot declaration makes no mention of this compelling link between aid and democratization.

My New Democrat colleagues and myself have often stressed the need to put an end to bilateral aid granted to governments of countries that violate human rights, and to restructure development aid so as to give it to non-governmental organizations that work in these countries.

The fact is that while Canada subscribes to a clear commitment to democracy as evidenced by its declaration at the Paris summit, our country also supports structural adjustment policies that create a bigger gap between the rich and the poor, and we also continue to provide financial aid to repressive governments.

Even if the Mulroney government has promised to cut its aid to repressive regimes, the Minister for External Relations announced a year ago a $5 million subsidy to the authoritarian government of Rwanda, which is a member of the Francophonie. Yet a recent report from the group Africa Watch denounces widespread violations of human rights by the Government of Rwanda. In fact, the situation continues to deteriorate.

The record of several other countries of the Francophonie is not much better. Yet no action was taken at the last Paris summit to fight the blatant abuses that exist in countries of the Francophonie.

The Francophonie must look at the human rights issues and recognize that decent health care services, housing and adequate food are just as basic and important as traditional civil and political rights.

The challenges are enormous: protecting the environment, supporting the economies of African countries, promoting the French language, not to mention the emergence of eastern Europe countries such as Romania and Bulgaria. I hope Canada will realize that our most important contribution to the Francophonie is the reaffirmation of the principles of democracy, peace, rule of law, true respect for human rights and equality, as well as a healthy environment.

* * *

[*English*]

POINT OF ORDER

REQUEST FOR TABLING OF DOCUMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): On a point of order, Mr. Speaker, it is my understanding in an order of this House that I have to seek unanimous consent to enable me to table a document to which I referred during Question Period.

I therefore ask for unanimous consent to table that document.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I do not object to providing unanimous consent today to table that document which I am sure is to the benefit of all members.

But I would like to indicate to the House that there are several occasions when opposition members have documents which we want to make available to Parliament and to all members and that consent is often denied to opposition members. Yet government ministers can avail themselves, or actually they do not have any choice, they have to table documents upon request of the House.

I would ask the House to consider that in the future, the same kind of courtesy should be afforded to opposition members who want to provide useful information to the House, notwithstanding the rules.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the member the opportunity to table that document?

Some hon. members: Agreed.

PETITIONS

PORNOGRAPHY

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I have two petitions, both of which have been certified correct as to form and content.

The first petition deals in part with the proliferation of adult triple-X magazines and video stores in Scarborough. It makes the point that pornography has a destructive effect on women, children and also on men.

It calls specifically on Parliament to strictly uphold the present laws on obscenity and it is signed by 322 residents of Scarborough.

GOODS AND SERVICES TAX

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I have another petition which refers to something that is continuing to bother a number of the residents of Scarborough West in particular, and that is the application of the goods and services tax on feminine sanitary products such as tampons and pads.

This has been brought to the minister's attention on more than one occasion, however, these petitioners again ask the government to remove the goods and services tax from women's sanitary products.

SMALL CRAFT HARBOUR FACILITY

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, I am pleased also to present two petitions. The first petition is from a number of fishermen and others from Murray River, Montague, Murray Harbour and Sturgeon who depend on the small craft harbour's facilities.

The petitioners humbly pray and call upon Parliament to urge government to ensure that the necessary repairs are made to the slip at the small craft harbour facility at Graham's Pond, Prince Edward Island.

PENSIONS

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, I am pleased to present a petition on behalf of a number of people on Prince Edward Island which indicates that the undersigned believe that indexed pensions for all Canadians are essential and they humbly pray and call upon Parliament to maintain full inflation protection for our federal public employees as a demonstration of the commitment to full indexed pensions for all Canadians.

QUESTIONS ON THE ORDER PAPER

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1230)

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, be read the second time and referred to the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): The hon. member for Malpeque has nine minutes.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I am pleased to continue my remarks today on Bill C-60.

This is important legislation, legislation which deals with federal-provincial tax arrangements as well as the health and education transfers to the province, that is the Established Programs Financing, the money that the federal government gives to provinces to spend on education and health.

I am pleased to speak today on these two areas because these are important areas to my riding, as I am sure they are to all ridings across this country. They are areas that the government should be making priorities.

But it is really doing the opposite because what it is doing is reducing the growth of transfer payments to the provinces for education and for health. To give you the figures, Mr. Speaker, these cuts the government has made result in a reduction of $9 billion by 1995 according to the Canadian Association of University Teachers. That is for education alone.

The health transfers will be reduced almost $20 billion by 1995. That is the record of the government where it has cut the growth of funding to education and health.

Let us look at what this Conservative government promised before coming to power. When he was opposition leader, the present Prime Minister said, and these are his exact words: "We are committed to sustaining the current federal financial commitment according to the formula set out in the 1977 agreement. We believe that financing post-secondary education is an important priority for both levels of government".

That is what the Prime Minister said when he was Leader of the Opposition. Unfortunately he has not carried through with that commitment because what we have had are changes in that formula. In fact we had one in 1986 and another change in 1990 which amounted to a reduction of money going to the provinces.

I also want to put on record a remark that was made by the present Minister for International Trade before he became the Minister of Finance. He told the House of Commons in 1982 when he was speaking on the established programs funding: "The Established Programs Financing reductions could have disastrous effects on universities and colleges, on hospital funding, and on the operation of hospitals. Let us not make hospitals, universities, and colleges a battleground between the federal government and the provincial government. Let us solve these problems, not on the backs of the hospitals and universities. Let us solve those problems outside the arena". That is a quote from the Minister for International Trade when he was in the opposition.

Clearly the government has not kept its word. Here we have cuts. As I said we had a change in the formula in 1986 and another one in 1990.

The government is doing exactly what the Minister for International Trade said it should not do. What it is doing is solving its financial problems on the backs of the

hospitals, the universities, and the colleges, and it is doing that by the cuts it provided in the formula for Established Programs Financing, which is the money to come to the provinces for education and health.

If we look at the effects that these cuts are having on the provinces, it means if, for example, the province of Prince Edward Island gets less money, it has less money to give the universities. In our case it would be the University of Prince Edward Island. At that university, as I am sure at all universities, tuition fees have increased tremendously. In fact, at the University of Prince Edward Island the tuition fee has gone up 57 per cent from 1985 to 1991. Over a period of six years tuition fees have gone up 57 per cent.

As I said, the government is giving the provinces less money, yet the cost of education is going up tremendously. We also have to look at the record of this government and the student loans program.

As I have just said, in my province of Prince Edward Island tuition fees have gone up 57 per cent, yet this government has not changed the amount of money given under the student loans program since 1984.

I have been calling on this government to look at that program since I was elected in 1988. I have tabled a private members' bill in this House. Hopefully that bill will be drawn and will force the government to look at this whole area. The student loans program as it stands today is very inadequate.

Another factor that will affect our education is that fewer people will be able to go to university. We will have people with all kinds of ability who simply cannot afford to get a university degree.

I am not the only one saying this. For example, in a *Globe and Mail* article of March 7, 1992, the headline says it all: "Only wealthy need apply". Students are graduating $25,000 to $30,000 in debt. People with ability but little money steer themselves away from a university education. According to the president of St. Thomas University in New Brunswick, and I quote: "We are getting to the point where only the wealthy and the near wealthy will be able to afford university education".

Another effect of federal education cutbacks, of course, is reduced competitiveness. This government talks about competitiveness, but we do not need any more talk. What we need is action.

This government pays big money for studies like the $1 million that was spent on the Porter study on competitiveness. Business and labour leaders are saying that the most important factor in improving Canada's competitiveness is better education, training and human resource policies.

I see my time is running out. I had many things I wanted to say about this legislation. I want to conclude by saying that it is very obvious that the federal government has not lived up to its pre-election promises with regard to the transfer payments. The effects of these cuts are being felt everywhere, from the factory floor to the university campus and the hospital ward.

Canadians expect better and Canadians deserve better.

The Acting Speaker (Mr. DeBlois): I wish to inform the House that pursuant to Standing Order 33(2)(b) because of the ministerial statement, Government Orders will be extended by 17 minutes.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to take part in this debate on Bill C-60 now before the House. As everyone knows, this bill tabled in the House on February 20 concerns equalization programs.

• (1240)

Needless to say, these equalization programs are the cornerstone of our Canadian economic union. In 1992-93, the government will make contributions totalling $8.5 billion to the provinces, and on the whole have not provinces will profit most from this.

It is important to remember that at a Ministers of Finance meeting on January 30 the federal Minister of Finance proposed a two-year extension of the equalization program, from April 1, 1992 to March 31, 1994. This program extension would entail an increase of about $400 million for the provinces in 1992-93; about half of this, some $200 million, would become permanent increases, while the rest, some $200 million also, would be temporary benefits.

As we all know, the program renewal proposal is composed of three different sections: a wider tax base, the maintenance of the equalization ceiling for 1992-93; and the elimination of some technical irritant concerning the interaction of equalization programs and Established

Programs Financing. This is of course one more program involving federal transfers to provinces. All Canadian provinces will receive benefits under the measures being discussed here today.

It might be important to discuss the components of this program.

[*English*]

The equalization as proposed in the bill for 1992–93 would be in the order of $31 million for Newfoundland, $5 million for P.E.I., some $35 million for Nova Scotia, $39 million for New Brunswick, $198 million for the province of Quebec, some $55 million for Manitoba, and $60 million for Saskatchewan. Of course, the provinces of Ontario and British Columbia do not qualify under the provisions that I have just enumerated.

The interaction with the Established Programs Financing needs to be raised a bit as well, I think. There is a recognition, of course, that there are provincial concerns about the interaction between the Established Programs Financing and the equalization calculations by ensuring that the value of the tax transfer and the determination of the program entitlements reflect the equalization ceiling estimated benefits to the province to be more than $200 million. This is a one-time payment for retroactive effects.

I do not want to take much more time of the House speaking to this bill. Because we are talking about transfers to provinces, maybe this is an appropriate time as well to raise the matter of other transfers and how they impact upon us as Canadians. In other areas we discussed the measures not that long ago in the House of Commons, areas of transfers to the provinces for the purposes of health care and social welfare. In those two cases, my province, the province of Ontario, and the hon. member who will be speaking momentarily, his province of British Columbia, those provinces really got a raw deal from the federal government because some of those transfers were frozen or at least they were capped to a maximum three per cent increase.

I think the President of the Treasury Board is nodding in agreement when I say this. In my own province of Ontario as a result of the recession, of course which was authored by the federal government and expanded upon courtesy of the provincial NDP, they are very busy, as you know, chasing jobs away to the United States. Since they have taken over the provincial government, unfortunately, for many residents of my province, the NDP has had some success at chasing jobs away to south of the border.

Due to those two factors, we have an increasingly high number of people in Ontario who are on welfare, coupled with the effects of Bill C-21. Members will remember the notorious Bill C-21 of last session which cut back on the number of weeks that a person could get unemployment insurance. All of those things together have expanded the number of people who are on welfare in my province and elsewhere in Canada. In my province, there is a general cap on the Canada Assistance Plan transfers to those provinces.

That has made it such that it is becoming more and more difficult, particularly in a recession to take care of the increasing number of people who have fallen off not only the job market, but also they have fallen off the unemployment insurance benefits and have fallen on to the welfare rolls.

The unfortunate side effect of all of that has been that to a fair degree now we see municipal tax increases and to a degree, provincial tax increases, to satisfy the shortfall that was caused by the fact that the federal government put a ceiling or a cap on Canada Assistance Plan transfers to those provinces.

[*Translation*]

So, Mr. Speaker, the picture is certainly not rosy in our province. But being here to speak about the equalization issue, I thought I would take the opportunity to remind the government opposite of its role in the effective financing, not only of the equalization program, but also of the Canada Assistance Plan which, in my province, for example, is in serious difficulty.

Therefore, Mr. Speaker, I too wish that, at this eleventh hour, the government opposite would come back to its senses and at some time in the future would choose to make more generous contributions so that we can take care of those less fortunate people from the province that I represent here in the House of Commons as the member for Glengarry—Prescott—Russell.

[*English*]

Mr. Sid Parker (Kootenay East): Mr. Speaker, I too, wish to participate in the debate on Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act. I am very pleased that the President of Treasury Board is in the House. I hope he will take note of some of the concerns that we have, especially a member from British Columbia with regard to this bill.

Really, what has happened—and of course I realize this is a housekeeping bill that the government is bringing in with regard to equalization payments and fiscal arrangements with the provinces—is that the government has systematically passed the burden of the national debt on to the provinces. There is no question about that as we look back and see the capping of the programs in British Columbia, in Ontario and in Alberta.

• (1250)

According to the programs the government brought in, it identified these provinces as being the richer provinces. Therefore it felt that it could cap them and let them fend for themselves.

At the same time as this is going on, changes were being made to the Unemployment Insurance Act. The government opted out of that program and put the total burden on the workers and on the companies. This again hits the provinces, every province, because it takes that extra money out of those communities. It comes directly out of the provinces and out of the municipalities.

The capping of the medicare and the post-secondary education programs again takes the money directly out of those provinces and the provinces have to come up with the extra moneys in order to provide those programs. That affects the municipalities and goes all the way through the line. As these things take effect those areas are affected.

I want to talk a little about the pressure tactics the government is using on these provinces in order to get them to come on line. It brought in the GST, and 80 per cent of the Canadian public does not want it. The GST is having tremendous effects on the provinces across Canada.

The federal government is trying to harmonize this program, and I want to use an example. In my riding I have three border crossings: one at Roosevelt, one at Creston, and one at Yahk, British Columbia. People are crossing that border not because they are getting better deals, not because of anything. Almost everyone who contacts me and to whom I have talked says it is in protest to the kinds of policies this government has brought in.

That affects the small businesses in my riding. That affects every portion of the riding. Coming back to fiscal arrangements, the government is trying to bring them about. But it is causing more problems with the policies it is adopting.

The government talks about competitiveness. It says that we must be competitive in this market because we have entered into a free trade agreement. Goodness knows the majority in my riding did not support the free trade agreement, but it is certainly suffering because of that free trade agreement.

Rather than a free trade agreement we would have preferred to see a sector-by-sector agreement that made more common sense than what this government has done in the over-all agreement.

Students are affected by it. The government talks about being competitive in the free trade market it is talking about. Yet it is systematically cutting back and stopping our students from being able to enter the system to upgrade their skills and produce the kind of competitiveness the government says will be required to meet the needs of the future.

In every field the government has put its finger on, it has created deeper and bigger problems. It has said to the provinces: "You must come on line with us". It is offering them a goody: "If you come and harmonize the GST with us, we will collect your provincial sales tax".

Those are the kinds of discussions that go on with each province with regard to border crossings and so on. That is not the way to bring people on stream. That is not the way to listen to people.

The government should have listened to the people, not brought in the goods and services tax, and looked at it in a more equitable way. During the GST debate—and

this affects the provinces—the minister said that the manufacturers' tax would be removed.

Did we actually see a decrease in the price of automobiles? Did we actually see a decrease in what the consumer was buying? I did not notice it. The people in my riding did not notice it. But they certainly noticed the extra 13 per cent, the 7 per cent GST and the 6 per cent tax on top of that.

The government is now talking about reaching equalization agreements and a housekeeping bill to bring about these kinds of things with the provinces for another two years.

It has not treated the provinces fairly, especially Ontario, Alberta and British Columbia. It has singled them out and it has systematically, without any prior consultation with the provinces, introduced the bill into this House and brought about changes for those three provinces which are unworthy. We said so at the time and it certainly created an extra burden on the provinces because of that decision.

I heard the Liberal member who spoke just prior to me talk about the situation in Ontario. He said that the Ontario government is driving jobs to the United States. Nothing could be further from the truth. Everyone knows that the free trade agreement is the cause of what is going on across that border. Everyone knows that had the Liberals stood up and fought against the free trade agreement, stood up and said so at the time and continued fighting it, this would not be happening. No, they flip-flop back and forth because the large corporations said to them: "Oh, you cannot do this". So do not blame the Ontario government for driving jobs out of the country. Take a look in your own backyard and to the kinds of things that went on. Stand up in this House and fight for the people of Ontario instead of blaming the Ontario government.

Stand up against the free trade agreement and let us bring in an agreement sector by sector. Let us not put our dairy workers at risk. Let us not put our farmers at risk. Let us not put other workers at risk because of an over-all free trade agreement. Again we come back to the provinces because every province is affected. Every piece of legislation that this government has tinkered with has caused great concern to the provinces.

It has caused the provinces to try to pick up the slack. The unemployment insurance program is a prime example as to how it affects the provinces. When you take the money out of those areas, you hurt the people that are involved. The government also says that it is trying to re-educate people. If it really wanted to be competitive, if it really wanted to educate the people, it would be contributing today one-third of the cost of the unemployment insurance program to ensure that the kind of educational programs, the kind of technologies that our students and our workers are going to need would be there. It has withdrawn its contributions to that program and made it totally the program of the workers and the employers.

If the government really wants to upgrade the education and the training techniques of the Canadian people and the Canadian workers, it has to get back into that program, start participating in it and start to build the kind of country we are going to need for the future.

The government is talking about a free trade agreement with Mexico and we are not even allowed to participate in it. As the opposition members we are not even allowed to know what kind of discussions are taking place. I want to say to the government on that issue and to all the provinces that will be affected by this, that it is going to affect every one of us. Because if it makes that agreement, the government will also suffer.

While we are talking about equalization payments, while we are talking about harmonizing, let us really look at the broad scope of what this government is doing.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Mr. Boudria: Mr. Speaker, on a point of order, perhaps you could enlighten me. I had understood that the government members were going to move a motion. Maybe I could take advantage of this point of order to allow the government Whip to get back to his seat and propose this unanimous consent motion. Perhaps he has been inadvertently delayed outside the House on the telephone.

Mr. Hawkes: It is amazing the degree of accuracy of guesses. I was on the phone and suddenly saw that debate had collapsed.

I think there is general agreement in the House, Mr. Speaker, to suspend if this motion is adopted.

I would propose the following motion to the House, and I think it has been negotiated. I move:

That notwithstanding any order of this House that if the debate is completed on the second reading stage of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, the taking of any required division will be deferred until Tuesday, March 24, 1992 at 6 p.m.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to the order that was just agreed to, the taking of the vote is deferred until Tuesday.

May I declare that it is 4 p.m.?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): Therefore, it being four o'clock, this House stands adjourned until Monday next at eleven o'clock, pursuant to Standing Order 24(1).

The House adjourned at 1.04 p.m.

HOUSE OF COMMONS

Monday, March 23, 1992

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

PUBLIC SERVICE NATIONAL WEEK ACT

MEASURE TO ENACT

Mrs. Marlene Catterall (Ottawa West) moved that Bill C–328, an act respecting a national week of the Public Service, be read the second time and referred to Legislative Committee H.

• (1110)

She said: Mr. Speaker, I am proud to speak on this bill not only because a large number of my constituents work for the Public Service of Canada but also because in my role as critic for the opposition for Public Service employment, I have become very much aware of the extent to which Public Service employees across Canada are delivering services to Canadians in every community every day. They are assisting us as parliamentarians in carrying out our duties.

The excellence of the Canadian Public Service has been recognized internationally. It is probably because the role of the Public Service in developing the nation has been an important part of the partnership between the public and private sectors, spreading transportation and communication networks throughout the nations.

The Public Service has always been on the frontiers of Canadian development, more laterally spreading the services that ensure that equality for all Canadians is delivered based not on where you live or the particular climate or economic benefits of your community, but on a vision of a Canada where all Canadians share the right to equal opportunities.

The Public Service is the instrument by which the will of Parliament is carried out. It delivers services throughout Canada, acting as a unifying force and a visible presence of the federal government in small and large communities across the nation.

Just as important, the Public Service is the eyes and ears of Parliament on the front lines in every corner of the land informing us as policy makers and legislators of changing circumstances and the new and emerging needs of Canadians.

Yet often the Public Service is the target of public contempt of complaints about government expenditures, policies and programs. Often it is criticized unfairly as being inefficient, slow and expensive. Often governments themselves will target their own employees as handy scapegoats to divert attention from unpopular policies, programs and decisions.

The Public Service is often the first to feel the brunt of public sector restraint, expected to cheerfully bear cutbacks and wage freezes for the good of the country. Morale in the Public Service is at an all–time low. The relationship between employees and employers has never been so strained.

We have just experienced the largest Public Service strike in our 125–year history. Opportunities for advancement have diminished. The best and brightest in many cases are leaving the Public Service of Canada. We are no longer attracting the brightest and best to the service of their country.

Employees have been told they have to do more with less, and they are responding to the challenge with the commitment and dedication to the nation that has always symbolized the Public Service of Canada.

There are very few who work for Canadians who do not feel they are making a contribution to their country. They are proud of the services they deliver to their

fellow Canadians. They are proud of the services they deliver to government and Parliament.

But these feelings of dedication, pride and commitment have been tested to the limit. The feeling is becoming endemic that their work is not appreciated, valued or respected by their employer. Moreover, they feel that their employer is attempting to convince their clients, the people of Canada, that their work has no value.

There is good reason for that atmosphere. They have been told that they should be grateful to have a job, any job. Those at the lowest pay levels have been told that their managers who perform well based on the work of all employees will get bonuses and increases while they struggle, many of them on $18,000 salaries to feed, clothe and house their families.

They have watched as their work is contracted out, often at greater cost and less quality while their co-workers are laid off. They have been told that no matter what the Human Rights Tribunal decides on pay equity for employees in female dominated groups, the government will not respect the decision of the Human Rights Commission.

While the government spends over $1 million to encourage partnership and co-operation between employers and employees in the private sector, it excludes its own employees from partnership with government in such important public policy areas as revitalization of the Public Service and management of their own pension plans.

The private sector is learning the importance of teamwork as the need to sharpen competitiveness and productivity gains importance. Employees at all levels must see themselves as part of the team working towards a common goal.

A fundamental ingredient of building teamwork in both the private and the public sector is breaking down the confrontational barriers between management and front line workers, between employer and employees, creating an atmosphere of mutual respect based on the understanding that every employee contributes to the success of the enterprise.

Companies are implementing employee recognition programs not only internally but also externally to ensure that their customers know that their employees are the valued and essential foundation of customer service.

Personal recognition is an important component of job satisfaction that promotes top performance and the incentive to go beyond the bare requirements necessary to earn one's pay cheque. To take risks, to look for creative solutions, to deliver top-notch services benefiting the company, the working environment, the client and the country, the employee must be internally motivated and that internal motivation comes from being satisfied with one's job, knowing that it is important, respected and valued.

Bill C-328 asks the government to step out of the Dark Ages of confrontation and conflict, to recognize that its employees are going through difficult times and are operating in an atmosphere of discouragement. A siege mentality is not conducive to feeling pride in one's work, to feeling loyalty and commitment to one's employer and dedication to going above and beyond the call of duty to provide the best possible service on the front lines.

Bill C-328 asks only that one week be set aside each year to recognize the value of the work performed by employees both to the public, to the government and to Parliament.

While this bill is framed in the context of the federal Public Service, it is not only limited to recognizing the work of federal public sector employees but it also refers to and allows for the recognition of those who serve elected bodies at all levels across Canada. That includes 529,000 federal employees, 506,000 provincial employees, 343,000 municipal employees and countless others who work for local boards and agencies delivering health, education and many other services.

A national week to recognize Public Service employees would be an opportunity for those who work for the public to inform the public about the services they provide. I would like to quote from one of the letters I have received: "A great idea", said one writer. "Not so much to honour the Public Service employees, but it could serve at this time to educate the public as to the services the employees and the governments provide.

The public wants to know what they are paying for. This would give employees a chance to show off their work".

This has already begun. The Professional Institute of the Public Service has prepared a series of brochures that points out the valuable work performed by Public Service employees in such areas as agricultural research in protecting the safety of our food supply, delivering front line health care services in remote communities across Canada and ensuring the safety of the drugs which reach us in our homes. Recognition has also been given to the importance of public sector scientists and all those who work with them in protecting our fish stocks—that is certainly a timely topic—and in providing weather services that ensure the safety of aviation in constant monitoring of the environment. Up and down the levels of government it is public sector employees that are educating our children, ensuring that our planes fly safely, that our highways function, that fishermen who put out to sea have a good security and rescue network in place. Every day of our lives from the moment we turn on the tap in the morning, the services and the quality of life we enjoy in this country depend not only on the decisions of elected bodies but on the competent, capable and committed service of public sector employees at all levels.

• (1120)

A week of focused attention on the value of public services and the people who provide them would build pride among those who work for the public and remind them as well that service to the public is the purpose of their job. It would also encourage communication with the public who are their clients and could be used as well to encourage public comments on government services.

At a time when the public wants to see different levels of government co-operating rather than bickering about their shared responsibility to the public and for the expenditure of their tax dollars, information on who does what with those public dollars will allow for good public debate.

Adapting to change requires a climate of co-operation and mutual respect between employees and employers. Good management-labour relations are essential to Canada competing in global markets. Our partners around the world have to be able to depend not only on the private sector delivering what it says it will deliver but on the public sector being able to deliver what it says it will deliver.

As the largest employer in the country I believe the government must take a leadership role in building an atmosphere of co-operation and partnership with its employees in pursuing national goals just as it is asking private sector companies to develop partnerships with their employees in increasing productivity and efficiency.

The excellence of the Canadian Public Service is recognized throughout the world but there are wounds to be healed. This bill is one small step in beginning the healing process and returning the public sector of Canada again to a proud service that attracts the best Canadians to the service of their country.

This bill may be seen by some as perhaps a bit of tokenism. It is not intended that way. There is a real need to let public sector employees know that despite the cutbacks, despite the salary burdens they have been asked to bear, their work is important to their country. That is why most of them are in the Public Service, whether at the federal level, the provincial level, or the local level. People join the public sector because they want to contribute to the public good.

I would like to quote from a letter I received from the Federal Superannuates National Association which represents retirees from the Public Service, many of whom have spent an entire career making their own personal contribution to the nation. FSNA has this to say: "At a time when Public Service employees are being required to bear the brunt of the government's fight to control inflation, there is an even greater need for recognition of their service to the nation. The passage of this bill would to some extent compensate employees who, particularly during these difficult times, are expected to do more with less, cheerfully and efficiently".

They are doing that. I want to close by thanking the Professional Institute of the Public Service of Canada for both launching their own information campaign on public services delivered across Canada and also for proposing this bill. While it is not a votable bill, none the less I hope this debate will encourage the government to consider taking a measure like this, giving the employees a focused opportunity to promote the services that they and the government deliver in partnership in restoring the pride they feel in their work.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am pleased to participate in today's debate on Bill C-328, the Public Service National Week Act.

This affords another opportunity to recognize the public servants who deliver a wide range of high quality services to Canadians. There is no doubt that the federal Public Service is among the best in the world, and I am not alone in thinking this. In 1975 the renowned British author and physician, C. P. Snow, in addressing a Canadian audience, said that as a former public servant himself, he thought very highly of this country of ours. He said that we had the best Public Service in the world. The Canadian Public Service, as we all know, is based on the British model. Professor Snow said that we had improved substantially on the original model. Yet most Canadians remain unaware of the high degree of respect that our federal Public Service commands throughout the world.

Our Public Service employees are devoted, responsible and conscientious. They work in a variety of areas to serve the public and deliver vital government programs. We find them serving Canadians in such areas as health and safety; they inspect the food we eat and protect the water we drink and the air we breathe; they test the medicine we take; they control our waterways and our airways and our means of transportation.

Public Service employees also protect our interests as consumers. They scrutinize operations and enforce federal regulations from the electronic communications to the activities of financial institutions.

They deliver crucial social programs. Most Canadian families receive federal cheques each year, many on a regular basis, and we tend to forget and take for granted that they are a dedicated people who work diligently to make sure that those cheques are issued correctly and promptly.

Public servants represent us and protect our interests abroad. They support industry, our regions, scientific and technological progress and foreign aid.

I could go on. All these services are delivered efficiently and effectively and in a timely manner. Canadians have come to expect these services and the fact that they often take them for granted is testimony to the high and consistent quality with which they are delivered.

The government, as employer, fosters an environment where Canadians from all origins can find opportunities for successful careers in the Public Service, and it provides its employees with training necessary to deliver government services.

I am in complete agreement with the spirit of the bill proposed by the hon. member. We need to recognize our Public Service employees and we do in various ways.

One of the ways that we recognize public service employees is through the Government of Canada's Incentive Awards Plan. Among the programs under this plan we have suggestion awards, merit awards, awards of excellence. In addition, managers and supervisors in the Public Service take every opportunity to recognize in a less formal way the contributions of employees. This takes the form of a thank you letter for work well done or attendance at a conference or acknowledgement of an employee's work in the foreword of a report or a study.

The suggestion award program enables employees to submit their ideas for improving government operations in providing better service to the public, enhancing the work environment and generating savings and other benefits. In this way, the government officially expresses its appreciation to employees whose initiatives produce valid suggestions.

In 1990-91 the government saved $36 million through some of the suggestions made by the Public Service employees. The government's suggestion award plan has received more than 165,000 proposals since it began 39 years ago. The program paid out a total of $4.6 million to Public Service employees whose suggestions have saved the taxpayers over $153 million.

• (1130)

Last year, for example, an employee of the Secretary of State of Canada suggested that student loan claims from banks be separated into two categories: complete and incomplete. The complete claims can be audited and paid immediately, resulting in reducing the backlog in interest costs. This suggestion alone saved the government $2.7 million.

The merit award program provides management with the means of extending formal recognition to employees for meritorious performance. This award is given for various reasons: for example, work performance at an unusually high level over an extended period of time, successful completion of a major project or assignment in a manner that goes beyond what would normally be expected, performing duties in a meritorious way under abnormal circumstances or with an exceptionally high order of achievement, and innovation that results in an important improvement in operations.

For example, last year a merit award was given to a team of employees from Energy, Mines and Resources Canada that showed exceptional investigative skills in the developing of tracer gas technologies. This has improved significantly the health and safety of Canadians working in underground mines and has reduced operating costs at the Cape Breton coalfields.

Finally, we have awards of excellence which are presented each year by the President of the Treasury Board. These awards recognize the best, most exemplary contributions of the Public Service resulting from employee suggestions for meritorious performance of duties. An example of this is the award given last year to five employees in our embassy in Kuwait. Many of the members of this House will recall that during the Iraqi occupation these employees faced guns and endured 45 to 50 degree Celsius temperatures over a three-month period. They had no electricity, no air conditioning, and no food or water was delivered to them.

As we can see, the federal government does recognize the work of its Public Service employees both informally and formally. In this way the government can encourage innovation, save money, improve its operations, and provide better services to Canadians.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I too am very pleased to support this bill and particularly to have an occasion to stand up on behalf of all my caucus colleagues, and indeed I am sure all members of the House, to thank the very hard working public servants who serve us and our constituents right across Canada.

The Public Service of Canada is a very skilled, hard working group of people who care very much about the public they serve and who care about their country that they serve so loyally. They vary of course. They serve the public in many ways: as maintenance workers, file clerks, truck drivers, receptionists, administrators, skilled planners and scientists. They perform many different functions. My two colleagues who preceded me have outlined those very eloquently.

As a person from the west coast I want to mention these people particularly: the lighthouse keepers, the Coast Guard, the RCMP, and others who guarantee our safety. While I am at it, I would like to plead with the government to keep our lighthouse keepers in place because they have a very important function that goes beyond just the keeping of the light.

It is often a very thankless job to be a public servant. I am sure this has become increasingly so over the recent years. The stress in their jobs has increased considerably as restraint cuts have been imposed by this government and people have been laid off in almost every department of the country in very large numbers.

Privatization of this government has also changed opportunities, the whole field of Public Service, and in many cases this has been quite unwarranted and has resulted in less effective services for the public.

As workers face increasing pressures and heavy job loads, they unfortunately have also become the scapegoat for many of the government's policies because they are the face of the government that the public can get at. We often hear people speaking about those terrible "bureaucrats". This is really very unfair. It has become a convenient scapegoat for the frustrations the public feels because of government policies. It is very important that the public understands this and realizes that the policies are made by ministers, not by the front-line public servants we deal with every day in our ridings.

At the same time as public servants bear the burden of heavier workloads and increased job pressures and job insecurities, many have experienced unrequested transfers as the government has arbitrarily made changes without consulting with them.

I agree with my colleague and I commend the member for Ottawa West for presenting this bill. We support it. We should have a national Public Service week as one of the means of recognizing and showing our appreciation to the Public Service of Canada. Hopefully it will help to improve the morale of the public servants which I agree

is at a very low state. We should all bear a responsibility for seeing that this is improved.

It will also be a useful way of making members of the public much more aware of what the Public Service employees do for them, the very important services they provide and the very high degree of competence that our Canadian Public Service is noted for internationally as well as, hopefully, within our own country.

A Public Service week will be useful, but I think we would all agree that it will be very meaningless and, as my colleague said, perhaps a token unless there are sincere changes in the way that public servants are treated in Canada.

Given the arbitrary treatment that this particular government has provided to public servants, it is very important that we have a Public Service week. But that is not enough. We must also have a change of attitude on the part of this government and a change in policies and practices. It is first of all very important that the government show much greater respect for its employees, for the jobs they do, and for their collective bargaining rights. Surely the people in this House remember the treatment they received during the last Public Service Alliance strike when collective bargaining rights were completely overruled by this government.

Women in the Public Service deserve special recognition, not only for the contribution they make but because of the hardships they have faced in the past and the pay inequities they have experienced. It is deplorable that this government has refused to pay the retroactive pay owing to women in the Public Service because of the inequities in their paycheques over the past years. The government must play fair and pay this money that is owing, retroactively.

It is unconscionable that now the government would obstruct and threaten to ignore the Human Rights Commission and the recommendations it will be making on this matter.

We also need to implement employment equity in the Public Service fully. We want a Public Service that will truly represent the people of Canada. Therefore we must see more visible minority people, persons from all ethnic backgrounds being hired. We must see physically and mentally disabled persons in our Public Service. They must have equal rights to employment. We must see many more native Canadians. The proportion of native Canadians in the Public Service is intolerably low. We must see women at all levels in the Public Service. These people must not only have the opportunity to get in the door, but they must have opportunity to move up the scale and have much greater access to promotions and to senior jobs as well.

We should also be expanding child care services for our public servants. If the government continues to refuse to do anything about a national child care program to which it were committed a number of years ago, the least it can do is provide child care for its own employees, its own public servants. We can do this and must do this in many ways. Where there is a large number of public servants in one location, we should have day care centres available just as we have here in the House of Commons. Incidentally that was why I initially proposed a day care centre on the Hill. It was to demonstrate that this is the kind of thing that should be offered to employees right across the country, not only to people on the Hill.

• (1140)

We must have increased child care services, and if there are not day care centres then there should be some provision perhaps in their collective bargaining package to help to pay for the costs of child care so that children will not be suffering as parents go to work.

As the member of Parliament for Vancouver East I would like to thank particularly the public servants who serve my office and my constituents. I know it is the same for other members of Parliament in the House.

When we have problems with immigration cases, we can readily phone a consultant in the immigration department for advice. When constituents have problems with unemployment insurance or training programs, we contact Canada Employment to resolve them together. We frequently call Health and Welfare about pensions and disability cases and many other local public service people who serve our constituents well. When we go overseas I am constantly impressed about the high professionalism of the people in External Affairs. I want to recognize them particularly.

Public servants cannot change policies and we should not blame them for the policies of the government. They are extremely hard working dedicated people. They are our employees and the employees of the people of Canada. Therefore they must have better treatment and greater recognition for the job they do. We would certainly think the 125th birthday of Canada would be a good time do that. We support the idea of a national week to recognize the Public Service of Canada.

Mr. Stan Wilbee (Delta): Mr. Speaker, it is a real privilege to be able to speak on Bill C-328 today. It is a very significant bill and it seeks to establish a Public Service national week.

I am sure that every hon. member of this House agrees with the spirit of this bill. This House certainly recognizes and appreciates the commitment and dedication shown by all members of the Public Service of Canada.

My government is fully aware that the Canadian Public Service has evolved for more than three-quarters of a century to become one of the finest organizations of its kind anywhere in the world.

Public servants are often thought of as only serving elected governments. While it is true that much of the business of the Public Service is to help develop and implement government policies, public servants as their name applies are men and women who serve Canadian citizens every day: for example, the air traffic controller who guides our plane to a safe landing, the scientist who is developing a preventive vaccine, the immigration officer who welcomes new Canadians to our land, the person at the Canada Employment centre who helps workers find jobs during these tough economic times, the health inspector who ensures that our food is safe to eat, and the letter carrier who brings us our mail.

These men and women belong to a body of more than 500,000 public servants whose work is valued by Canadians all across this great nation.

I am sure my hon. colleagues will agree that the Public Service has been at the forefront in helping to advance employment equity for women, persons with disabilities, and minority groups. The hon. member for Vancouver East spoke very eloquently about the situations and the need for continued improvement in this area.

Public servants, both French speaking and English speaking, are ambassadors for Canada both at home and abroad. They are a force for national unity. This government fully supports the ongoing efforts of the Public Service institutions to recruit quality men and women who will reflect the rich cultural and regional diversity of Canada. Throughout our history the Public Service has been the infrastructure upon which governments have built sound institutions that have helped give this nation one of the highest standards of living in the world.

As my hon. friend said when she introduced her bill, we now have a dynamic and flexible partnership between the public and private sectors, a partnership that requires enhanced creativity to safeguard our prosperity in this decade and on into the 21st century.

When Canadians look at the Public Service, they see themselves. They see husbands and wives raising the next generation of Canadians. They see citizens actively participating in community organizations. They see women and men putting in long hours as federal public servants and then heading for their neighbourhood community centre to coach youngsters in minor hockey leagues, to help a talented figure skater, to help a skier dreaming of making it to the Olympics or some other such volunteer organization.

Our Public Service is a truly distinctive Canadian entity. Over the years, it has evolved to reflect the diversity of our multicultural and multiracial society. Looking at the organization from an international perspective, the Public Service has kept pace with Canada's emergence as an important member in the world community. I believe that most Canadians recognize that an effective Public Service is fundamental to our national health and individual well-being.

This highly professional organization performs a wider variety of functions than any other organization in the country. Those of us who work primarily here in Ottawa need to remind ourselves that two-thirds of the federal public servants work and live in communities outside of the national capital region.

In presenting her bill, my hon. colleague spoke of the value of the services provided by public servants. The hon. member is right. Valuable services are provided and they are provided in a manner that reflects values established over several decades; values that this govern-

ment will continue to uphold so that all Canadians will be proud of their Public Service.

I believe that Canadians who choose to serve their country are inspired by motivation that goes well beyond the necessity of making a living. Hon. members probably know a number of men and women who have set aside promising careers in the private sector in order to work as public servants for the betterment of their country.

In her introduction to the bill, the hon. member mentioned that many people are leaving the civil service to go into private industry. I would also remind her that many people from the private sector are proud to come into the public sector as well.

Despite their willingness to serve, I am sure that there are times when it is extremely frustrating to be a public servant. The responsibility of spending the hard-earned taxes of Canadian citizens is not one that public servants take lightly. Because of their responsibility, public servants are often open to criticism from Canadians and indeed members of this House.

The women and men of the Public Service of Canada fully understand and appreciate that our democratic system depends upon individuals living up to their responsibilities. We can be proud that our public servants maintain a high standard of both personal and professional conduct at all times. The values that I spoke of earlier are entrenched values that permeate the Public Service and sustain its high quality. That understanding was clearly reflected by the Prime Minister in PS 2000. To quote the Prime Minister in his introduction to the white paper, he said:

> The Public Service of Canada is fundamental to the successful functioning of our democratic institutions and of our country. It serves Canada ably and has contributed immeasurably to our stable economic and social environment, to our achievements as a modern industrial nation and to our values and identity as a people.

I believe that Canadians genuinely appreciate the contributions of Canada's public servants and while I fully support the intent of my hon. colleague's bill, at this time I cannot support establishment of a Public Service national week. The hon. member from Ottawa West may feel that a special week would be well received in her riding and certainly I can understand that, but considering the potential cost to taxpayers, it is reasonable to believe that such a proclamation would be regarded with cynicism in other parts of the country.

Members of this House are well aware that the recent budget demonstrated the necessity of keeping discretionary spending under control during this time of fiscal restraint. The cost may not be great, but there is always publication and advertising that must be done.

This does not mean that a special week cannot be set aside, if the hon. member, along with other hon. members and private citizens, wish to do so.

• (1150)

It does not require a formal recommendation from the Government of Canada to establish a special week to acknowledge the contributions of public servants. Any group of private citizens is free to take that responsibility on themselves.

In closing, again I commend the hon. member on the spirit of her bill and perhaps in a healthier economic climate, it should be reconsidered. At the present time, I regret that I am unable to support such a bill.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it is a pleasure for me to support the motion that Bill C-328 be read a second time and referred to Legislative Committee H.

This bill would ensure that, each and every year, the third week of the month of June is known as Public Service National Week. I support this proposal and hope it will meet with the approval of all members of this House.

I have only a few minutes. I realize that the hon. member for Ottawa Centre, the hon. member for Glengarry—Prescott—Russell and other members from the national capital region wish to speak as well, but I imagine their speeches will not be very long either, considering the little time we have at our disposal.

Today's debate is an important one, because its purpose, as I see it, is to recognize the constructive and indispensable contribution made by Public Service employees.

I want to congratulate the hon. member for Ottawa West, whose idea it was to propose this bill, and I would ask hon. members to give her the support she is seeking.

This plan would help make Canadians more aware of the remarkable work done by public servants and improve the image of a Public Service that has not had an easy time since 1984, when this Conservative government was elected.

As you know, the last few years were particularly difficult for federal employees. Numerous lay-offs in which nearly 13,000 public servants lost their jobs, privatization of services that so far had been provided by Crown corporations, the pay freeze—zero for this year and 3 per cent next year—and last summer's strike, the biggest one ever in this country, have made Canadians aware that there is a problem. All these measures have caused a number of serious financial problems for some people, and sometimes family problems as well. In the process, Canada has lost some of its best people, and there are also the problems this creates for young people who were intent on a career in the Public Service.

There is a long list, but I will not get into all the details. Briefly, Public Service morale is at its lowest ebb in many years, despite the fact that a plan to renew the Public Service of Canada, PS 2000, is now before the House. However, I doubt that this initiative will be able to restore the trust of public servants in an employer who has given them an extremely raw deal for the past seven years.

Our Public Service, known as one of the best in the world, consists of about 529,144 federal public servants, 506,600 provincial public servants and 343,200 at the municipal level.

In the final instance, public servants deliver the services approved by provincial and federal legislatures. The Public Service has served the Canadian people well in the past and hopefully we can change the government's attitude so that these public servants can not only regain initiative but also have confidence in their future, that their positions will be secure and that they can have a career in the Public Service knowing that one day they will be entitled to a well deserved retirement.

There is a partnership between public servants and politicians. We politicians deal with the reasons why. We decide why we want such and such a program. Public servants are the specialists whose responsibility it is to advise us how best to implement it. That is important, and it is extremely difficult at times to understand why this government is determined to lower the morale of the troops.

This week I received a letter from Iris Craig, president of the Professional Institute of the Public Service, in which she said that the purpose of Public Service Week is to make Canadians aware of the services and security that public servants give them. Further on, she said that National Public Service Week would be an ideal opportunity for the government and public servants to tell Canadians that they are at their service. I conclude with another quote from Ms. Craig: "We would like to celebrate Canada's 125th anniversary by showing Canadians that a healthy and efficient Public Service is essential to their social and economic well-being".

The government has a duty to ensure that the public service is able to serve the national interest effectively while providing the services that Canadians expect of their government. To do so, public servants must be able to count on their employer's respect and good will. A National Public Service Week would thus be a step in the right direction.

Mr. Speaker, I would ask you to obtain the unanimous consent of this House so that Bill C-328 can follow the normal course and be seriously considered by a committee of this House to give all hon. members a chance to be involved and say where they stand in this debate. I would ask you to have Bill C-328 referred to Legislative Committee H so that it can be studied in committee.

• (1200)

The Acting Speaker (Mr. DeBlois): The question is on the motion of the hon. member for Ottawa West. Is it the pleasure of the House to adopt this motion?

Some hon. members: Agreed.

Motion agreed to, bill read second time and referred to Legislative Committee H.

GOVERNMENT ORDERS

[*Translation*]

BORROWING AUTHORITY ACT, 1992–93

MEASURE TO ENACT

The House proceeded to the consideration of Bill C–61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, as reported (without amendment) from Legislative Committee E.

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): It is my duty to rule on the motions proposed in amendment to Bill C–61.

There are five motions in amendment to the report stage of Bill C–61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, standing in the name of the hon. member for Kamloops.

[*English*]

Motions Nos. 1, 2, 3, 4 and 5 will be grouped for debate. A vote on Motion No. 1 will apply to Motions Nos. 2, 3, 4 and 5. I will now propose Motions Nos. 1, 2, 3, 4 and 5 to the House.

Mr. McDermid: I rise on a point of order, Mr. Speaker. I notice those motions are in the name of the hon. member for Kamloops, who is not present in the House to introduce his amendments. I wonder if the Chair would rule on that. Since he is not here to move his amendments, are they in fact in order?

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Standing Orders of the House are quite clear in this respect. If the mover is not in the House, the House cannot consider the hon. member's motions in amendment.

MEASURE TO ENACT

Hon. John McDermid (for the Minister of Finance) moved that the bill be concurred in.

[*English*]

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): When shall the bill be read a third time. By leave, now?

Some hon. members: Agreed

Mr. McDermid (for the Minister of Finance) moved that the bill be read the third time and passed.

He said: Mr. Speaker, I rise to speak on third and final reading on Bill C–61, the borrowing authority bill.

Let me begin by putting this legislation in its proper context. That of course is the context of the budget that was presented a few weeks ago by the Minister of Finance, a budget that cuts government spending, cuts taxes, cuts the deficit, bolsters economic recovery and strengthens the international competitiveness of our economy.

Any debate on borrowing authority has to address the issue of public debt and deficit, burdens that weigh heavily on the people of Canada and that constrain the capabilities of the government.

There is one important and fundamental lesson governments everywhere have learned from recent recessions. That is never again must government allow itself to be financially crippled by debt.

The Liberals sit here and laugh at that. They sit there and they laugh. They laugh at government being crippled by debt. They left this government with a $200 billion debt. Canadians have been paying for that ever since.

Governments cannot assist those facing hardship or stimulate economies with money they do not have. To try to do so by borrowing more would only lead to higher deficits, higher debt, higher interest rates, slower growth and all that. It is not a pretty picture, as we know.

Renewed effort to reduce the deficit was one of the things Canadians clearly told us they expected from this budget. In all the pre-budget consultations that the Minister of Finance, myself, and the President of the Treasury Board had across Canada, that was the one message that came from every group no matter what

their status in our society, that we must reduce the deficit. They also wanted realistic and lasting solutions to our economic problems, streamlined government to meet the realities of the 1990s, new opportunities for people to improve their skills and knowledge.

The government has responded to these challenges with a budget that takes action to bolster recovery this year and strengthen growth and job creation in the years ahead.

The budget provides help where help is needed, but it pays for that help not by increasing taxes or increasing the deficit, but by reducing expenditures; not by increasing borrowing and taxes. It cuts spending to reduce taxes and bolster economic growth and competitiveness. The budget also ensures significant declines in the deficit for 1992–93 and the following years.

The deficit will be held to $31.4 billion in the 1991–92 fiscal year which ends in about a week. It will be reduced by almost $4 billion to $27.5 billion next year and to $22.5 billion in 1993–94.

Mr. Milliken: Nobody believes that.

Mr. McDermid: The hon. member for Kingston and the Islands is sitting over there delivering his speech from the seat of his pants. I understand that he is the next speaker for the Liberal Party and I would encourage him to withhold his comments until that time.

The net public debt will begin to shrink as a proportion of the economy in 1993–94 for the first time since 1973–74.

Reducing the deficit is essential for a return to sustained economic growth and new jobs. It is an essential foundation for a return of confidence, at home and abroad, that will ensure a strong recovery. Most important, the measures in the budget will not compromise our deficit reduction goals.

Continued spending restraint will help bring about a major reduction in government borrowing. The government's financial requirements will be reduced to zero in 1995–96. The government will then begin to reduce its outstanding debt in the financial markets for the first time since 1969–70.

It is in this context of deficit reduction that we must consider Bill C–61.

Mr. Boudria: Who wrote that?

• (1210)

Mr. McDermid: I did. I wrote it. In case you wanted to know, I wrote it. It's a good speech too.

Like borrowing bills in recent years, this bill contains three basic elements: financing authority to cover financial requirements for 1992–93; an amount to cover exchange fund account profits; and a contingency reserve. In total, the government is requesting authority to borrow $24.7 billion for the 1992–93 fiscal year.

It bears noting that the House committee has reviewed the provisions of the bill and has reported back with no amendments.

In addition, there is provision for an additional borrowing authority of $3.9 billion to provide for borrowings conducted in this fiscal year under section 47 of the Financial Administration Act. There are also a number of technical changes to tie the bill more closely to the fiscal year.

Before I finish my remarks, I would like to draw the attention of hon. members to the fact that the government has been operating under section 47 of the Financial Administration Act since January 28 of this year. Various factors contributed to this, particularly the increase in financial requirements as reported in the budget.

Let me remind members that until new borrowing authority is in place, only short-term debt instruments can be sold, and the government cannot maintain the desired balance of short and long term debt in its debt program. This balance is carefully designed to achieve the objectives of cost minimization and reduced exposure to increases in debt service changes. It is therefore important that Bill C–61 be considered in a timely manner.

The amount of borrowing authority requested in the bill is directly connected to the budget and the financial requirements stated therein. The information required to deal with the financial aspects of the bill is set out in the budget documents.

I therefore urge the House to proceed with this legislation as quickly as possible so that new borrowing authority will be in place at the beginning of the new

fiscal year and the government's regular borrowing program can proceed as the fiscal year begins.

Our record of spending restraint and deficit reduction offers sound testimony that this country's finances are being handled prudently and responsibly.

I urge all members to support this bill.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the unbelievable statement of the minister with which he closed his brief address was, of course, one that I will seek to refute in the time allotted to me today. It is obvious that he could not have said that with a straight face. I was amazed that a wide grin did not break out on his face as he uttered those statements. I was also amused to hear him suggest that this bill should get speedy passage because the government had run out of borrowing authority on January 28 and was having to borrow all of its money on the money markets on short-term notes.

An hon. member: Doesn't that make sense?

Mr. Milliken: It does make sense. The trouble is that it just shows incompetent management. If the government had asked for the proper borrowing authority last year instead of underestimating its requirements, as it did, I say to the minister, he would have not been into this mess and would not be here today pressing us for speedy passage.

We were assured last year that the borrowing authority that was asked for was more than sufficient. The government had everything covered and everything planned. Now we see in fact that not only did it not have it properly planned, it misplanned it. It botched it as usual and of course now the Canadian taxpayers are paying the price of this bungled, incompetent government which cannot manage a lemonade stand let alone the administration of the Government of Canada.

The purpose of this bill, as everyone has stated, is to permit the government to borrow to cover the annual deficit that it is running up in this country. It said that the deficit this year is going to be lower than last. Time will tell. If so, it will be the first time in about four years that the government has managed to get it down. Every year it is trumpeted by Ministers of Finance how wonderfully this government is managing things, that it has managed to cut the debt, it is really working and deficit control is a big priority, but every year the deficit goes up. For the last four years, the deficit has continually risen and 1991–92 was no exception.

In the new financial year, and we will see, the minister says it is going down to $27 billion. But the minister has been wrong before, almost consistently, and so time will tell whether he manages to get this one right. In any event, his deficit is unduly large and I will make some commentary on it later in my remarks.

I want to draw to the attention of the House what the results of the Conservative policies have been. I want to deal specifically with my own riding of Kingston and the Islands where the hardship that has been wrought by this government's disastrous combination of policies has been severe. It is estimated that in Kingston, 1 of every 25 people is collecting welfare benefits and this does not include those receiving family benefits or unemployment insurance.

In 1989 Kingston's welfare payments totalled $5.2 million. In 1990 the figure was $8.6 million. In 1991 it will be approximately $14 million by the end of the year. That is almost triple its level in 1989.

It is predicted this upward trend will continue with an estimated further 60 per cent growth in case-loads over the next year. This could bring welfare payments over the $26 million mark by the end of 1992, compared with only $5.2 million in 1989. The welfare case-load in the Kingston area is up 140 per cent in 1991 over the 1990 figures. The provincial average is even higher than that.

I am sure that the minister of state for homelessness will be interested in the fact that the welfare payments in Kingston are higher in 1991 than they have been at any time in the past decade by almost double. It is a disastrous situation brought about by a series of disastrous policies.

In building permits, total building permit activity in the Kingston area was down 14.7 per cent over the 1990 total. Kingston fared reasonably well in that respect. The industrial and commercial and residential building permits comprised 77 per cent of total building activity down from 90 per cent in 1990. Housing starts in the greater Kingston area fell from a total of 1,199 starts in 1990 to 644 starts in 1991, almost half.

That is the record the minister boasts about when he says this government—I hope I have not lost his words, they were so memorable—"was managing prudently and

well". I do not consider that set of figures to be prudence or competence in management.

There are more disturbing figures. The food banks in the Kingston area experienced significant growth in 1991 over 1990 figures, a growth of 15.6 per cent in the number of parcels delivered. It is clear that they are not always able to meet all the demands placed on them. That is the report from the Partners in Mission Food Bank operating in Kingston.

There are other disturbing trends in the economy that the government has failed to address. The Canadian Federation of Labour in a recent survey it conducted in the fall of 1991 found that 36 per cent of Ontario's small businesses are considering moving all or part of their operations out of the province.

The minister, I am sure, has some personal knowledge of businesses that have moved out of his riding. Later in my remarks I will be referring to some of the ones that have moved out of my riding of Kingston and the Islands.

They have moved out for two reasons. I will grant the minister that. It is not just the policies of the federal government; it is also the policies of the provincial government in Ontario that have caused heartache and disturbance to thousands of people and they are leaving the province like flies.

The hon. member for Oshawa is laughing. He, of course, used to be a supporter of that government. He can afford to laugh. He got out of the morass. He got off the sinking ship before it dragged the province down. He is still laughing. I am surprised he would take such a callous attitude toward his constituents.

This year bankruptcies are running 50 per cent ahead of last year, with retailers hardest hit followed by manufacturers, wholesalers, restaurants and construction companies. What we have in Canada today is a lot of bad news brought about by a government which is unable to deal with economic problems in a rational and meaningful way.

The world-wide recession is what is blamed by the government for the present mess. But we all know that the recession in Canada started before it started anywhere else and is worse in Canada than it is almost anywhere else. The reason that it is worse and the reason it started sooner is because of the policies of the government.

There were three major policies that have caused this difficulty for our country and I will go through each of them in turn. First, free trade; second, tax reform Tory style; and, third, high interest rates.

The free trade agreement, which the government negotiated and said was going to save Canada from everything, has been a complete disaster for this country. The minister laughs. He knows that is true. He knows how many jobs have been lost in his own riding. I know that there have been a significant number of jobs lost in my riding attributable directly to free trade. It is not just the recession; it is people moving out. That has made the recession worse in Canada. It has crippled Canadian industry in a way that has not happened in this century, at least not since the great depression.

• (1220)

The chief negotiator for Canada, Simon Reisman, who sold this country out, who gave it away to the Americans in the free trade negotiations, has consistently tried to hide his incompetence. Now he is apologizing for the deal in effect saying that perhaps the Americans are playing unfair, that they are not doing what they said they would do, they are not living up to their side of the bargain. Well, he did not get it in writing; he gave everything away. He had the wool pulled over his eyes by the Americans.

We said so during the campaign. What was his response? He called the Leader of the Opposition at the time a traitor. With respect, I think we know who the traitor was.

I think this free trade deal has cost Canadians jobs. It has cost jobs in my riding. It has cost jobs across the country but particularly in Ontario.

I have some quotations I would like to read about what has gone on. A major plant in Kingston that employed a little over 60 employees when it closed was K. D. Manufacturing. I will read part of the article that appeared in the Kingston *The Whig–Standard* last fall:

> K.D. Manufacturing operated in Kingston for more than 70 years as the largest producer of wooden picture frames in Canada. Its 60-plus employees worked in the Montreal Street plant for an average of 20 years. At one time more than 100 workers were employed there.
>
> But now the company is enjoying the advantages of free trade on the other side of the border.
>
> The whole plant, which was family owned, closed down in Kingston and moved south of the border.

I quote here from the owner of the company, Howard Kelly. He said: "We have been pleased with the move because of our sales retention. We didn't lose much of our business". He added that about 90 per cent of his business was still in Canada. Free trade makes it easier to sell goods in both countries. Ninety per cent of your business is in Canada, and you move to the United States. That is the advantage of the free trade deal that the government talks about so enthusiastically. "Most important it now allows us to manufacture products more competitively with our North American competitors and gives us more exposure to the U.S. market", he said. "Free trade, cheaper non-union labour, a new market and a state loan were all factors but there are no simple explanations".

A state loan to help set up business, where was the government with its adjustment programs for Canadian workers to help this kind of business stay in Canada? There were not any.

I have another series of quotes. *The Whig-Standard* the same day published an article about whether or not free trade had created a level playing field:

> Despite the free trade agreement, Kingston's economic development officer is concerned that Canadian companies are being pressured to open plants in the U.S.
>
> Wejay Machine Products Co. Ltd., which designs and builds custom, automated material-handling and packaging machines for the aluminum, steel, paper and textiles industries, is one company Kingston Township expanding its presence in the U.S. market.

I am sure it meant from Kingston Township but it does not say that in the article. So here was a company operating in Canada that felt it could not get business in the United States unless it opened a branch plant in that country and started producing its products there.

I quote from Mr. David Cash, Kingston's very competent economic development officer. He said:

> But it seems to me that the spirit of the free trade agreement is such that a U.S. company shouldn't discriminate against a company located in Canada.

We were told that was exactly what free trade was going to do. That is what Simon was running around the country saying. That is what the Prime Minister was running around the country saying. That is what the Minister of Finance at the time was running around the country saying. Who was telling the truth? We did not get that kind of deal.

Then Mr. Cash said, and I quote again from the article:

> Mr. Cash is still concerned that the free trade agreement is not working out the way it was supposed to do. "The whole idea of free trade was, and still is, that you can serve your American market from Canada without duties, so I get concerned whenever U.S. companies are pressuring their suppliers in Canada to move or expand their operations into the States, but I don't know what I can do about it.
>
> It seems to me to be a fairly new and emerging concern."

It is a concern, but one that this government ignores completely. There is absolutely nothing that the government is doing to assist in this problem.

We had the Prime Minister rattling his sabres the other day saying that maybe there was some problem and the United States was being unfair in free trade. Of course, he is a great friend of the President. We have all heard what good terms he and the President are on. He and the former President used to sing duets together, but it is not doing any good now. Canadian industry is still suffering as a result of the free trade deal and this government's policy in supporting it.

I want to quote from the Prime Minister again. I quote from a more recent edition of *The Whig-Standard*, March 17. There was an excellent article written by Ian Austen of Southam News which was printed in the paper. It quotes the Prime Minister. Listen to this; this is unbelievable. He says:

> Our highest priority is to have an agreement that ends the threat to Canadian industry from U.S. protectionists who harass and restrict our exports through the use of trade remedy laws.

That is what the Prime Minister is quoted as having said in the House of Commons in March 1987.

We all know that that objective was not achieved in the free trade negotiations. The government failed Canadians in getting what it said was a prime objective. "It was the highest priority", the Prime Minister said. Of course, we have heard him say things like that before and we all know that he is talking through his hat.

The article goes on to say about the free trade deal that:

> The lingering problems are two-fold: The trade agreement has neither changed the way the Americans operate nor made solving disputes any faster.

It states quite correctly:

> As for the Honda case, the free trade agreement doesn't even offer the hope of a binding settlement.
>
> The two governments are in the early stages of setting up a bi-national panel to review the dispute. But in this and all customs cases, neither government will be bound by its findings.

The article refers to Mr. Ritchie, the deputy negotiator who helped poor old Simon try to sell the country out, and says:

> Mr. Ritchie now acknowledges it is a major flaw in the deal he helped create.

Of course this was supposed to create all these jobs and it did not. But the government does not seem concerned about unemployment. It has done nothing in the budget to assist the unemployed. The article goes on to say:

> As well, during the recession 10 years ago, only 22 per cent of those left unemployed in Ontario lost their jobs because of permanent factory closings. Today the figure is 65 per cent.

That was the 1981-82 recession that we hear so much about from this government. Twenty-two per cent of those left unemployed in Ontario lost their jobs because of permanent factory closings. Today the figure is 65 per cent. It is 65 per cent who are out of work because of permanent factory closings.

I suggest to the minister—and he knows this probably better than I but does not want to admit it—the reason that all those factories have closed is because of the free trade deal. It has been a disaster, and it is a cornerstone of Tory policy under this government.

The second cornerstone is tax reform, Tory-style. By that I refer of course to the goods and services tax. We have had a massive tax shift in Canada since this government took office in 1984, and it is a tax shift that I suggest to you is the reason Canadians all across Canada are complaining that taxes are too high. The government does not heed these complaints. It has lowered them very slightly in this budget, but the reduction is so minuscule that it is difficult to measure in most Canadian pocketbooks.

Canadians know they are paying a lot more in taxes, and they are right. What has happened is that we have had a change from the world of corporate tax as a means of raising revenue to the field of personal tax. The Tories are hitting the people who are least able to pay. That is what is going on, and I have some figures to support that.

First of all, in a recent *Maclean's* article, I think it was just a week or two ago, there was a graph showing budgetary revenues as a percentage of total federal spending. Where does the money come from?

In 1984, 41 per cent of the revenue came from personal income tax. Forty-one per cent of federal spending was raised by means of personal income tax. Today, it is 47.7 per cent, a very significant increase.

Corporate income taxes in 1984 accounted for 13.2 per cent of the revenues used for government spending. Today, it is 7.2 per cent, a very significant reduction. What the government has done is it has taken the taxes off the corporations and has transferred the tax to the individuals. That is exactly what it has done.

The minister shakes his head. He knows this is accurate. There is nothing inaccurate about this. If he pulls out the government's own taxation figures from the raw figures he will see that there has been a reduction in corporate taxes as a percentage. It is not difficult to see that and this graph, I suggest, has shown this. It shows that that is the case and it is an accurate graph.

Sales and excise tax revenues have actually decreased over the period. The graph is based on an estimate of the GST revenues for 1992-93. One suspects that if the GST were applied in a normal economic year, not one where there is a recession, the revenues would be much higher. But time will tell, time will tell.

• (1230)

Mr. McDermid: Oh, we are up to 40 now.

Mr. Milliken: Yes, but as a percentage of the total grab I think the member knows the GST would be higher.

An hon. member: What about corporate income taxes?

Mr. Milliken: So would corporate income taxes, so would personal income tax, but as a percentage of the total I am suggesting to the member that the GST would in fact be more.

Mr. McDermid: Liberal economics.

Mr. Milliken: The hon. member says: "Liberal economics". I can tell him that Canadians would much prefer Liberal economics at this stage, and all the polls indicate it.

An hon. member: Oh, oh.

Mr. Milliken: If the hon. member is so sure that is not true, I urge him to advise the Prime Minister to call an election and we will find out.

The Conservatives would like Canadians to believe that this latest budget offers Canadians a significant tax break when in fact we all know it does not. Turning to the reduction in the personal income surtax, that tax was originally brought in by this government in 1986 and was subsequently increased on two occasions. It was one of the 40 changes in personal income tax the government has brought in to soak Canadian taxpayers.

Mr. McDermid: We are up to 40 now.

Mr. Milliken: Forty changes to personal income tax which have resulted in increases for Canadians. The change in this tax offers virtually no relief. The reduction in the surtax actually benefits high income earners more than low income earners. For a family of four—

Mr. McDermid: Oh, oh.

Mr. Milliken: I see the minister is laughing. He should listen to these figures because maybe it would make him sing a different tune in cabinet meetings where they discuss these matters.

For a family of four with a combined income of $15,000, this tax cut will result in a savings of $2 for 1992. If the same family had an income of $75,000, it would save $74 in 1992.

Mr. McDermid: How much did the ones with $15,000 pay?

Mr. Milliken: The hon. member probably knows that answer better than I do. After all, he is a minister of the Crown who has at his fingertips all the figures he should need for answering those kinds of questions.

Mr. McDermid: Very little, if any.

Mr. Milliken: The goods and services tax, as well as being the most unpopular tax in Canadian history, has contributed to inflation in this country. The figures are all out on that. Over one per cent of last year's inflation was attributed directly to the goods and services tax and it has cost Canadians dearly. It has driven Canadians across the border in a cross-border shopping revolt, which has driven more Canadians out of business, exacerbating the recession created by the high interest rate policy of the government.

I turn to that as the third tenet of Tory economic mismanagement in Canada. They have pursued a policy of high interest rates and it has been a disaster. It was the high interest rate policy that initially caused the recession in the first place. It was one of the major contributing causes to the recession. It is the thing that slowed Canada down and brought Canadian industry to its knees at a time when the rest of the world was not yet experiencing this kind of slow-down. The fact that high interest rates have continued throughout the time that we have lingered in this recession has only served to make matters worse.

Canadians may be easily deceived into thinking that because interest rates have dropped they are somehow low. But in fact if we accept the government's figures that the year-over-year inflation rate is 1.6 per cent in January and 1.7 per cent in February, and if the bank rate is at 7 per cent or 7.5 per cent or 7.75 per cent, then clearly the real interest rate being paid by Canadians is still over 5 per cent, and that is unacceptable. It is too high. It is costing Canadians much more than any other group in the industrialized world is paying in terms of real interest costs.

That high interest cost is a disaster for Canadian business. It means that anybody seeking to carry on or operate a business in Canada and borrow money in the process, pays more than his or her American counterpart. It means that anybody seeking to borrow money for any purpose is going to pay higher rates than his or her American counterpart. The high interest rate keeps the dollar high so that Canadian exports are more expensive than they would otherwise be. If the dollar were allowed to drop to a more reasonable level, closer to where it should be, then Canadian exports would flourish. There would be generation of new jobs in Canada and prosperity could be restored. But the government persists in this high interest rate policy led by the Governor of the Bank of Canada.

The fact that the governor is intent on wrestling inflation to the ground is his supposed justification for this ridiculous policy. Frankly we have always managed with some inflation throughout this century. At times it has been unacceptably high, but we have had inflation

for a long time. Not since the 1930s have we had deflation. The governor of the bank backed by the Minister of Finance and the Minister of State for Finance have been supporting this high interest policy which I suggest is unacceptable. The result of it is high unemployment, lost business opportunities, the loss of businesses to the United States, and a difficult market for Canada's export commodities.

I would like to quote from an article that appeared in *The Globe and Mail* on December 5 by Mario Dalla-Vicenza from Regina. He is senior vice-president and chief financial officer of Ipsco. Here is what he had to say about the government's disastrous high interest rate policy:

> Stable prices may be a legitimate and necessary goal of the Bank of Canada, but the short-sighted and overzealous tactics it is using to achieve this goal are cause for concern. In fact, these tactics are bringing the economy of Canada to its knees.

That is what he said. The minister and the other members of his government clearly ignored this kind of advice. He went on:

> The bank's policy of high interest rates, which brings with it an artificially high value of the Canadian dollar, has crucified the mining, forestry, farming and goods producing sectors of the Canadian economy.

That is the opinion of a respected businessman in western Canada, and we know the government loves to listen to businessmen. The Tories always claim they are running the Government of Canada like a business, but if anybody else ran a business the way they run the Government of Canada they would be out of business.

Don McGillivray, a respected financial journalist, wrote a column on February 25 in *The Ottawa Citizen* in which he said:

> There never has been political support in Canada for an attempt to wrestle inflation to the ground, no matter what unemployment resulted. There is less support for such a policy now near the end of the second year of a painful recession for which the Bank of Canada must bear part of the blame.
>
> That doesn't alter the fact that the governor believes himself to be correct. He told the Commons committee that there is no basis for believing that monetary policy can focus on a number of different targets at the same time.
>
> He seems to live in a more neat and tidy world than the rest of us.

I think everybody in the House would agree with that statement. He continued:

> It's a world where action to achieve one simple goal is unrelentingly pursued, where action can deal with what ails the economy.
>
> The governor has overreached himself and suffered a rebuke. His policies did not command much confidence on the part of Canadians before. They command less support now.
>
> Canadians have seen how a single minded pursuit of zero inflation hurts things they care deeply about. They want the central bank to worry too.

"They want the government to worry too", he might have added to the article. The government ignores this problem and has allowed the governor to continue on this ridiculous course that has cost Canadians and has cost Canadians dearly.

It is part of a three-pronged effort on the part of the government to destroy the Canadian economy, it would appear. It does not listen to anybody who has any criticisms or sensible suggestions for improving the situation. I may say that includes the suggestions coming from me in this speech. However the minister may be paying closer attention than he lets on.

The minister brought in a budget that he claimed was a good news budget. The minister sounded optimistic and rosy: everything was going to be fine by 1993 and in 1992 we would get by and with the tax breaks he was offering Canadians everybody would feel good.

Let us just see how the budget was received by Canadians. I suggest Canadians know this budget was not what the government trumped it up to be. It was not all the good news that the government said it was.

I would like to quote first from the Canadian Chamber of Commerce. One would think this group, being a group of businessmen, would be one the government would listen to. After all, the government says it is running the Government of Canada like a business. These people are businessmen. I presume they know what they are doing. They certainly know a lot more of what they are doing than the government does.

Let us look at what the Chamber said:

> The chamber, Canada's largest business group, expressed disappointment that the government had once again strayed from its commitment to serious deficit reduction, delaying harsh action for at least another year.

We heard the minister in his speech say how they had cut back and how we were going to have the deficit reduced. Well time will tell. It has gone up for four years, as I said, but it may go down this year.

• (1240)

The news release quotes Tim Reid, president of the chamber, in case the minister did not know. It continued:

> First, he noted that the government's program expenditures are forecast to rise by 4.7 per cent in fiscal 1992–93, well in excess of the 2.7 per cent inflation rate. "That doesn't tell us there's a very firm commitment to containing spending in areas where it counts", said Reid.

A good quote, I thought, and a valid criticism. If the government says it is doing one thing and doing another, there is something wrong. It goes on:

> Secondly, the 1992–93 deficit (now forecast at $27.5 billion) is "significantly higher than had been predicted in earlier budgets"—

It certainly is. My recollection of the 1985 budget was that by this year the deficit would be down to something like $10 billion. Perhaps the hon. member for Oshawa can remember the figures better. I think $8 billion or $10 billion was what it was supposed to be. Now it is at $27 billion. Last year the government told us that it was going to be $24 billion, but I do not want to go through all those figures. I know the minister finds them very tedious.

It continued:

> —is significantly higher than had been predicted in earlier budgets"—"and far too high when you consider that it will be added to an accumulated debt load that already stands at $420 billion, and is the most severe in the industrial world with the exception of Italy."

Of course the minister and his colleagues like to blame the previous Liberal government for the deficit. They do not know what else to do. After all they have doubled it, but they all say: "Of course it is not our fault. It is all somebody else's fault". Everything is somebody else's fault.

Going back to the news release, it continued:

> Thirdly, there is the debt to GDP ratio, the relationship between the debt and our ability to pay it. Noted Reid, "In the last budget, they promised us that it would fall next year—for the first time in this government's mandate—to under 60 per cent. Now they admit it will rise to over 62 per cent, and that's also one of the worst in the industrialized world".

I have more quotes on that, because for years the government has been planning to get some control on this debt to GDP ratio. One of the things it boasts about is how the debt to GDP ratio is something that it can bring under control. It always puts in figures about how the annual deficit is shrinking as a percentage of the Gross Domestic Product. Of course it is, when we consider that the Gross Domestic Product is usually growing and the government has managed to keep the deficit size a fairly level one. It has gone up, but very slowly.

Let us hear what the government said in its economic and fiscal statement in November 1984. It said:

> A continuously rising ratio of debt to income threatens growth in three ways. It puts upward pressure on interest rates by raising expectations of future inflation and by competing for private savings. It limits the government's ability to meet priority economic and social needs. And it symbolizes a state of economic mismanagement that undermines confidence and threatens the job creating private investment that Canada needs.
>
> Fiscal policy must ease the burden on monetary policy and contribute directly to increased confidence and to lower interest rates.

That is what they said in 1984. One does wish they had heeded their own advice. They have maintained a large deficit, have continually put upward pressure on interest rates, have raised expectations of future inflation and have competed with private savings. They have ignored their own policy statement for seven or eight years.

In 1989 the minister said:

> The actions taken in this budget are designed first to stabilize, and then to lower the debt to GDP ratio. It stabilizes at just over 56 per cent of GDP in 1990–91.

Well, it did not. It is going to 62 per cent in 1992–93. But the government ignores that: it is just a change and is not a case of incompetent management. It would not admit to that. Everybody in Canada, I would suggest, knows it is.

In the fiscal plan in 1988, the government said:

> By 1991–92 the debt to GDP ratio declines.

It does not. In the February 1991 budget the government said:

> The growth in public debt as a proportion of GDP is halted in 1991–92, the first time its upward trend has been arrested since 1974–75.

Of course that was wrong. It was not. Thereafter, it declines steadily throughout the fiscal framework period.

In other words, the government has been consistently wrong in its dealings with the public debt problems and with deficit problems. It has not been able to get a grip on the subject, despite the rhetoric and statements that it was bringing the debt, the GDP ratio, under control and was bringing it under control right away.

I see the hon. member for Winnipeg South has floated in. I hope that she is enjoying my comments because she is a person who has some influence on the government and could perhaps go to the cabinet meeting some day and urge these ministers to do something to clean up the mess they have created after seven years of mismanagement.

In case anybody thinks that by quoting only the chamber I am giving a distorted view of Canadians' ideas about this budget, I want to quote from a Gallup poll.

[*Translation*]

> Fewer than one out of four Canadians (23 per cent) who were familiar with the latest federal Budget felt that it would strengthen Canada's economy. Most respondents (59 per cent) felt that the measures announced in the February 25 Budget by the Minister of Finance, Don Mazankowski, would do nothing for the economy, while 18 per cent had no opinion.

This is a poll that was published in today's *La Presse*.

[*English*]

Only 23 per cent of Canadians think that the budget is going to do something to help the economy. Everybody else, the vast majority of Canadians, thinks it will do absolutely nothing.

The hon. minister asks if the 1982 results are in it. I do not see the 1982 results in it.

I have another quotation from Don McGillivray. The minister groans. Obviously he does not agree with what Mr. McGillivray writes, but most Canadians realize that Mr. McGillivray is a fair, honest and objective commentator on the government's economic performance. In a recent article he said: "We have lost two years of normal growth in the economy. We have lost the output of about two million workers. We have told this army of Canadians that their country has no use for them. They will bear the scars of this recession for the rest of their lives. If that is not a good reason to kick up a bit of a fuss about the economy, what is?"

That is exactly what we have been trying to do; to get the government to do something to alleviate the unemployment that it has created by these three disastrous policy initiatives.

I am tempted to quote from another very capable source, the hon. member for Ottawa South, my learned and very competent colleague. He made a speech in this House on second reading of this bill on February 28. It was an excellent speech. I would have thought that after hearing a speech as the hon. member for Ottawa South made, the government would have packed its bags and left office right away. It was such a devastating condemnation of its policies that you would think the government would get out. It was obvious that there was something seriously wrong with the Government of Canada.

He said: "This is the tired budget of a tired government, perplexed by the problems that confront it, though many are of its own making; showing no vision, no imagination, not even comprehension of the difficulties Canada must tackle before the end of the century".

That is a fair comment on the budget and one that reflects the views of hundreds of thousands of Canadians across this country. They are appalled at the government's callous attitude.

Finally, I would like to quote from another extremely competent writer on these matters, Bruce Little, an economics reporter for *The Globe and Mail*. He has had a distinguished career in writing for financial publications in Canada. I believe he was managing editor for *The Globe and Mail* at one time.

In a recent article he said: "This recession is different. Canada's last downturn was deep, but when it was over, the economy rebounded smartly and cleanly into what turned out to be the long expansion of the 1980s.

• (1250)

This downturn has been shallower but far messier. Almost two full years after the recession began, the economy is still scuttling crab–like across the landscape, unable to set a clear course".

He went on to say: "Corporate profits have been scoured like never before. Last time, pre-tax profits fell 40 per cent in the first year of the recession. In less than two years, they bounced back to pre-recession levels. In this recession, they followed the same track for five quarters, then parted company. In the final three months of 1991, they were 44 per cent below levels reached two years ago".

In other words, corporate profits just bottomed out. Going into the last recession, profits were 11.8 per cent of GDP and went as low as 7 per cent before recovering. This time, profits were only 7.5 per cent of GDP on the way in and have since fallen to 4.1 per cent, the lowest level since the great depression of the 1930s.

It is that kind of grim economic picture painted by economic writers across Canada that one might have thought would be reflected in the budget. One would think that the Minister of Finance would have said that the government has to do something to try to ease this crisis. Instead, the government has done nothing.

The Liberal Party has put forward a series of proposals to the government to suggest that it do something to get the economy rolling again. Two of the proposals have been adopted: the change in the down payment requirements for new housing, and the allowance for the RRSP moneys to be used to finance the purchase of a house. Those are both suggestions put forward by the Leader of the Opposition in the course of a recent pre-budget speech urging the government to take these steps. The government has seen fit to do both.

The other two major parts of the platform have been ignored, namely the assistance for municipalities and assistance for food banks.

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I am interested in what has transpired here this morning and I want to congratulate the minister. Essentially the minister had nothing to say this morning and he managed to do that in four pages. We should all be immensely grateful that he at least was concise.

To the member for Kingston and the Islands, we should all thank his press clipping service. The clippings expanded substantially on the quality of the speech and they certainly added to the quantity of his speech. The problem is that there is a gem of truth there, but at this time of year the seeds are covered in a certain layer of horse manure, and it will take at lot of heat and light before they germinate. The hope will be that sometime later this year we will actually have a spring in Ottawa and there will be some germination and some growth.

My problem is that the member presents life in a caricature form. He pretends that by reading extensively from newspapers across the country, one can get some sense of the conditions under which most Canadians labour at the moment. I do not believe you can. I believe that those people who write newspaper columns are doing the best they can to present accurately their opinions, the facts as they see them, the effect of the depression on the Canadian economy at the moment. It is very difficult for them, as it is for us in this Chamber. For most Canadians, there will be no trip to Taiwan. There will be no tour of Europe. There will be no break. There will be no respite from the masses. There will be no free lunch. There will be no chance to be inside and warm this winter. For many of our Canadian people, this is going to be the culmination of a very difficult period and it is not getting any better.

That cry of frustration is there and very strong. Some have used the episode of food banks and the fact that they are being used more extensively now, even more perhaps than during the Great Depression in Canada. They are being used by different people. The poor are not quite so easily identified anymore. It is easy to identify those who are homeless. It is not so easy to identify the reasons why people who used to think of themselves as good productive taxpayers in Canada, part of the mainstream fabric of our society, do not have a job anymore.

It is very difficult to listen to the frustration of those people who have done all of the things that their society said they have to do to get a good job and the job is not there any more.

It is difficult to explain to them that when their factory closes these days, it is most likely not to be a lay-off or a downturn or a change in our economy. It is difficult to explain to them why the whole plant has left Canada.

Some will attribute this as being the fault of the global market, the fault of any particular government. It really does not matter to most Canadians who is at fault here. They do not care whether it is this government or that government or somebody in Geneva or somebody in

Taiwan. What they care about is their own human condition; that in their own self-interest, having done what society said they ought to do, they do not even have the opportunity to seek gainful employment any more. That is a tragedy that is not carried very often in our public media, not carried very often in our popular press.

It is one of those things worthy of a story once a year, or if someone gets really serious about it, a series of seven or eight stories on how the poor are surviving the depression. I watch the media every day. Members have this fault. We are obsessed by what the media has to say. Every once in a while some television station in some major city will hear of a lay-off, a shut-down. It will rush out there and for about one or two minutes, or if it gets real excited, four or five minutes, it will run a story about people's lives, about the impact of the shutting down of that plant on the economy of Cornwall, Kingston, Oshawa or any other community.

I have yet to see it go back the second day when the cameras are not around and ask people what it is like that day, the third day, the fourth day, and after five and six months. That is the difference in perspective. The Canadian people do not have the luxury of watching their lives fall apart for 30 seconds at a time. For them, it lasts for a much longer period and the ramifications are much worse.

Part of what I would object to in this budget, as I would with the province of Ontario, any of the other provinces or any other budget that I have ever seen, is that the version of restraint that is sometimes preached in this Chamber is a lot different than the one that is reality back home. It is fine for ministers of the Crown to say they spent to much money, so they are going to have to chop this and chop that. It is fine for this government in its latest budget proposal to say it cannot do the things it wants to do, so it will not have a child care program. For a government, that is an economic decision on how to put together a budget, an expression of political priorities. Once the decision is reached, it is over with.

The ministers of the Crown simply have to explain for two or three days, if the reporters are insistent, why it is that children are in poverty in this great wealth called Canada. The ministers of the Crown at best will have to spend a few hours of their time explaining to interest groups and to members of the House of Commons why children cannot have child care, why children will have to live the rest of their lives without it.

To a minister who has to defend this government policy, this is awkward, this is painful, but only for a short period of time. While they do that and while they explain that and while they rationalize all of that, they are mindful, as we all would be, that this will go away. For the child, for the mother, for the parent and for the nation, this will not go away.

I read with interest that the government is considering a few other changes. Excuse me for being cynical, but I heard a minister of the Crown say that medicare is a sacred trust. Some days I wish I had just started in politics. I wish that I did not know any better. I wish that when some minister of the Crown said something was a sacred trust the little alarms did not go off in my head. I have heard that far too many times.

Whenever someone says something is a sacred trust, it is a real good gamble that it is going, that it is in trouble, that somebody somewhere is thinking about really cutting this one.

• (1300)

As someone who has been involved in political life in Canada, it bothers me somewhat that at the end of 20 years, when a minister of the Crown says something is a sacred trust, I get worried. I become concerned about what is really on the agenda. What is going on here? What do they really mean? I have been through it long enough to know that when they start using that kind of language up front, something really dastardly is happening down near the other end. It is similar to the middle of a political campaign when people are stupid enough—I use those words advisedly—to accept anybody from any political stripe when they say: "We are going to institute a national child care policy. We are going to provide child care to people all over Canada". People should say: "Wait a minute. Who are you? Have you every done that before in your lives? Is that really what you want to do? Is that your priority? Did you do the same thing with some other promise that you made and not questioned or not challenged that".

I think the faults in politics are many. Some are inside this Chamber. More of them are outside this Chamber. There are people who say: "I liked the look of his jaw. I liked their campaign jingle. I liked the way their literature is designed. They have a snappy ad that says I should

vote this way or that way". The Canadian people have to learn how to make their political judgments in a much tougher way.

There are those who relish the notion that this government is bottoming out in the polls, as they say. It has been at the bottom before. That does not bother it at all. The election is not on at the moment.

I noticed that the minister, in his introductory remarks, said that by 1996 the need to borrow money is going to be reduced to zero. If the Canadian people get a chance to intervene somewhere between now and 1996, it will be reduced to zero a lot earlier than that. I hope that the Canadian people never make this kind of a mistake again.

To be as blunt as I can, this is a political government that has made its priorities clear. It has established who it represents, where its political priorities are, and it did it again with this budget. The new catch phrase is "targeting". The Minister of Finance says he wants to target the moneys a little better. That is exactly what the government did. Let me give an example.

In the field of housing, several people suggested that first time homeowners are having some trouble. Maybe if they had RRSPs you could let them use that money to buy their first home. A small perversion of that scheme is to broaden it just a little bit and say that anybody who has RRSPs can use their money to buy any house. It does not have to be their first house. It does not have to be modest. The government knows that people who have money put away in these kinds of savings plans are also likely to have a house. Therefore, when you read the fine print in the proposals the government made in its budget, you begin to get some understanding that it does not care a hoot whether it is a first time homeowner or not. It knows that it most likely will not be.

If they have money in that kind of a savings plan, they probably are not looking at buying their first house. The early trends in the real estate industry are that it is not first time homeowners, it is second and third time homeowners, and they are buying larger houses and there is a heck of a good tax break for them to do that. Would we not all be stupid if we thought the Canadian people would not read the fine print before they made that kind of an investment? That is exactly what they are doing.

Who is it helping? It is helping the upper and middle-income groups to get into the larger houses. There is nothing wrong with that at all, but to pretend somehow that it is other than a real estate gimmick would be quite wrong. As one who said it was an idea worth considering, I am a little unhappy on how that got targeted at the end of the process to a group that was not asking for more help and away from a group that really needed some help. It bothers me somewhat that they did that.

Here is one of the things I object to in politics these days. The government said, prior to the throne speech, that it was going to allow people to have 5 per cent down payments. That will stimulate sales in real estate somewhat and there is nothing wrong with that at all. It should also have said: "Consumer alert. There are people who should not be getting into 95 per cent mortgages. Take a good look at this. Here is an option you did not have before that you do have now". In the hot real estate markets, real estate companies and those who build homes were already doing some of these things.

In a place called Cookstown, Ontario, just north of Toronto, as an example, let me show the end effects of this. Once the government had established that the 5 per cent limit was right, then it had to turn it over to its bureaucracy at CMHC, very find, hard working, diligent, honest and intelligent civil servants.

Somebody had to decide that there would be regulations. You cannot have laws any more without regulations, and they have to be applied in different ways.

When you go to Cookstown, Ontario, and if you stand on the four corners, you will be standing on the division point between three different areas. On one corner the upper limit for the houses that can have a 5 per cent down payment is $125,000. That was the original idea. Across the street it is $175,000. On the other corner it is $250,000.

That is the same corner. There are three houses and three different parts to that little intersection. People in Canada look at that and say: "What is going on down there? Do these people not know this is all in one small town in central Ontario?" They do, but we see the configuration of the mindset that sets in here so that a program which perhaps makes good sense, when it is announced, when it is translated on the ground, does not make quite such imminent good sense.

The Canadian people are beginning to understand a little bit better. This is a government that, in its budget this year, did not just target the way that it will apply benefits to people, but targeted the way there would be income tax reduction for those whom it thinks are worthwhile in our society, those in upper income groups.

It was interesting that when it looked at the area of Canadian manufacturers, the government thought that offshore manufacturers, offshore investment, ought to get a little better break than Canadians. That is strange for this government, purporting to be a national Canadian government.

I have been interested in following all the arguments around the free trade agreement and the expansion of that agreement into Mexico. I have watched some who have been fierce advocates of free trade with the United States now saying: "Wait a minute. That is foul. The Americans are not playing fair. This is doing bad things to the Honda plant in Alliston. This is doing bad things to the softwood lumber industry in Canada".

Here is what I do not understand. If the government of the day is such a great manager, if it understands industry and manufacturing so well, when did the Americans ever work not in their own best self–interest? I do not remember a time in history when they ever refused to do that, when they ever said otherwise.

An American entrepreneur is not necessarily in business to do good things all around the world. There are lots of Americans who do that, but those who are entrepreneurial in scope, who are in the business manufacturing sector, never pretended that the reason they run a manufacturing plant somewhere in the United States is to benefit Canada. They never pretended that for a moment.

People say that they are interpreting regulations the wrong way. Why would they not? It is in their best interests to do that. That is what they have always done. That is what they are continuing to do.

I saw a very interesting analysis of free trade with Canada and the United States and extending that into Mexico. It essentially said that the purpose of the exercise was simply to provide American manufacturers with unfettered access into Canada and Mexico. That is what the free trade agreement with Canada did, and that is what the one with Mexico purports to do.

If you look at it from that perspective, that is a pretty good deal for an American manufacturer; take away all the restrictions that would come north into Canada, take away all the restrictions that might apply south into Mexico, make sure that you can use all the raw material, all the resources and pit one part of the North American continent against another and then sell madly to both markets.

It is oversimplification. In many ways that is what I see happening with the current free trade agreement with the United States. I see a simple extension of that into Mexico. From an American perspective, it makes eminent, good sense. Americans ought to be enthusiastic about that kind of a trade deal.

Canadians would be stupid to accept that. More and more Canadians are beginning now to say: "Wait a minute. The last time around, when you talked about free trade with the United States, we accepted that the Americans, by and large, are our friends, that we constantly work back and forth between Canada and the United States. Many of our industries here in Canada are branch plants of American industries. Okay, maybe we will try this thing and see whether it works out".

For the part of Canada that I come from in southern Ontario, the manufacturing heartland for Canada, the results have been disastrous.

To go back to that targeting theme that I was talking about a little bit earlier, it is not for everybody.

• (1310)

There are some entrepreneurs who have done quite nicely under the free trade agreement with the United States. The people who have paid the price are the people who generate the wealth, the workers in those plants. They are not there any more. People have been exercising their options to move their plants into the southern United States. It is not quite as rosy as it first

looked. It is not quite as good as you might have thought. The benefits are not exactly there. Once you are in place and manufacturing in the States, it is not quite as good as it looks in the brochure but it is kind of late in the day to talk about coming back into Canada. Therein lies the tragedy for this budgetary process.

Mr. McDermid: Some of them are coming back.

Mr. Breaugh: The minister interjects that some of them are coming back, but they will have trouble getting through the borders with all the cross-border shopping. We will wait and see. I am a fair person. I am quite prepared to take a look at the analysis of a free trade agreement and see what the good side is and what the bad side is. Where I come from and for the area I represent, times are tough and we are getting hammered by a free trade agreement that is not stupid from an American perspective. It is a very good agreement from that perspective. It is only stupid from our side of the bargaining table.

I come from Oshawa, a town that has had difficult times this winter. Some people will look at the manufacturing sector, particularly automobiles, and say we kind of weathered the storm there a little bit in Oshawa. We have not, not by a long shot, and we know that. We are being pressured, as a lot of communities are in Canada, by General Motors to take a look at how we operate and what our trade union agreements are and what the community can do and just exactly what can happen that would make General Motors continue to function in our community.

We are looking at all of those things. A lot of these things are not very pleasant for us. A lot of them involve taking apart some of the things on which our successful economic union in Oshawa has been built on over the years: a trade union that can freely bargain for its membership; a company that can produce a quality product and that has access to a market in the United States. These are not simple things that you kind of pull apart.

We are working each and every day to see whether we can come to an agreement with General Motors that will make the Oshawa plants competitive in exactly the same way as the American plants are. We understand that is important, but that is not going to do us much good if we lose our jobs in the process.

In conclusion, I want to say that this is a government that has made its intentions clear. Surely there can be nobody left in Canada who doubts what this government wants to do. It is the obligation of members on this side and the Canadian people to tell it what we think of it.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, the hon. member made reference to promises that were made, glossy brochures, all of these wild and wonderful things that happened during election campaigns, and how the people of Canada should not believe these things. Is he in essence saying that the people of Ontario should not have believed what the NDP promised in Ontario during the last election in its beautiful brochures? Mind you, he may be right, because the NDP in Ontario certainly has not followed through on many of its promises, if any at all.

Mr. Breaugh: Mr. Speaker, I watched a motion picture on the weekend called *Blaze*. It is a motion picture about a gentleman by the name of Earl K. Long, Governor of Louisiana at one time. One of the characters was told by her mother, before she went to New Orleans, that she should never trust a person who says "trust me." One of the first questions she put to Earl K. Long, Governor of the great State of Louisiana, was: "Can I trust you, Governor?" His response was: "Hell, no". It struck me that was a pretty good credo for modern politics. Most politicians, if they were honest, would say: "Wait a minute, this is not about you trusting me, this is about you analysing what I am all about. This is about you analysing my track record. You should understand that I may have all the good intentions in the world today, but if there is no money in the kitty tomorrow I am not going to be able to do the things I want to do".

It is not about reading brochures. It should not be about simply listening to commercials. It should not be about who has the best cosmetician to give them the best look for television. It should not be about who has the best press clipping service. It should be a careful, rational analysis about who works in my best interest, and I mean that in a very warm and personal way.

I suggest that those who would say otherwise have come to learn the grim lesson that my friends in the province of Ontario have had to learn since they took over from my good friends the Liberals. When we went through that election campaign, we began it with my good friend Bob Nixon, a very nice man, Treasurer of Ontario, a longstanding member of the Ontario legislature. Bob said: "Gee, things are great in Ontario. We have got like a $28 million surplus". Imagine that, in six short weeks it dropped to about a $200 million deficit. Was Bob Nixon misleading the people of Ontario? No,

he was not. I know the man. Bob Nixon was giving the people of Ontario the best information he had. He was wrong, very wrong, and we all regret that, but he did not mean to mislead anybody. He told them the information he had at that given moment in time, but circumstances change.

All of us had better get used to the idea that we are living in a very volatile society. I remind those Liberals who are gloating just a touch over here. When you get up to 54 per cent, right where David Peterson was at the beginning of that provincial election campaign and you are fighting like mad to cause the folks on this side of the aisle to start up a general election, before you start that chant in this Chamber, why do you not read a little bit about what happened to David Peterson, one of the most popular premiers that Ontario ever had, sitting at 54 per cent at the beginning of the election, and see what happened to him at the end of the process. That is the lesson all of us have to learn.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I was quite amused to hear the hon. member at the outset of his remarks say that he wanted us to set aside in effect—he did not use these words—partisan considerations in looking at our assessment of policies and try to look at it from the point of view of what the average Canadian wants or expects from his government. It is of course a perfectly good objective.

I guess what I was trying to say in my speech, and that I know he tried to in his in a different way, was: " If this is what the average Canadian wants, where are you best going to get it". Really in an election campaign, which he talked about last, we come down to a choice. The electorate gets a choice between the group of men and women that the electorate thinks are best able to provide the kind of Canada that the electorate wants, that they are able to provide the kind of policies, the programs, the jobs, the opportunities that the Canadian voter at least wants when he or she makes his or her choice at the polls.

What I think he was trying to say in a different way was support the policies that the New Democratic Party is putting forward as a reasonable alternative to the policies that the Government of Canada is now doing. What he was trying to do was pretend that this was a non-partisan approach to government decision making or electoral decision making and of course, we all know that it is not.

I was a little more open in my comments. It was not any of this cloak and dagger stuff that perhaps he has been using a little facetiously here today in that I made it very clear that the choice of this government was a bad choice for Canada and Canadians across the country regret having chosen this group to be the government.

I wonder if he could tell us if he agrees that perhaps Ontario electors have ended up with a bad choice on two rounds now, both by choosing this government here, which has introduced policies that are inimical to the interests of Ontario, and in the choice of the New Democratic Party government which has adopted policies in the province and has scared investors in the province in a way that is inimical to the best interests of Ontarians.

Mr. Breaugh: Mr. Speaker, let me try to correct my friend on a couple of counts here. I am never non-partisan. I am probably the most fiercely partisan person you have ever met in your life. I have only belonged to one political party all my life. Warts and all, I am with them until the end.

I am not stupid enough to believe that my party is without sin and has never made mistakes. I am one of the few who says that very publicly on as many occasions as I can. I have been elected for 20 years. I have never asked anybody to vote for me yet. I tell them what I think. They match that up against their own best self-interest and they make the decisions.

The member is inviting me to castigate my friends at Queen's Park. I have already done that. It would not be new if I said something nasty about Bob Rae. I will offer this as a matter for your consideration.

I spoke last week to the Treasurer of Ontario briefly, an old friend of mine. He admits quite readily this is the worst possible time for anybody to try to run a government anywhere in the world. At the end of our conversation my friend, Floyd Laughren, the guy they call Pink Floyd, made some decisions that I know are choking him. I know the man well. I know that he has offered some proposals and that his whole heart is not right in there. He is going to have to make some decisions that he really does not want to have to make. At the end of it all I asked him how he was making out. He said: "Mike, I love it. This is what it is all about. This is what I worked all my political life to do, to try to form a government. I do not

control what kind of situation we get, good times, bad times, whatever. I am here doing the things I believe in. The people will judge us. They will say whether you are right or wrong, whether you gave it your best shot or not, and that is what it is all about. That is as good as it gets and no matter what you say, no matter what you do, no matter how nifty your jingo is, that is the truth of it all. We all just have to give it the best shot we can. The people will decide".

• (1320)

Ms. Mary Clancy (Halifax): Mr. Speaker, before I get into the serious matter of this budget I feel I have to make a comment on the statements of my hon. friend from Oshawa when he said he has never asked anyone to vote for him. I noticed the surprise on the faces of some of my colleagues across the way. I can only say that I certainly do ask the people of Halifax to vote for me. I consider it only polite to do so.

To the business at hand which is the business of this year's budget.

The finance minister said that he wanted to deliver a strong bottom line to Canadians. That is indeed what he has done, particularly to our 1.5 million unemployed Canadians by making unemployment a part of this government's economic policy. In spite of promises made in the last budget by the member from Etobicoke Centre—and the promises were for jobs, jobs, jobs—there is still nothing in this budget to improve job prospects for the 1.5 million Canadians who are unemployed. In fact this government actually admits that unemployment will remain at 10 per cent in this country for two more years, and that is nationally.

I look at two of my colleagues on the other side, one from St. John's East and the other from the South Shore. I know, as do they, that unemployment in their ridings is a whole lot higher than 10 per cent.

What this government is essentially asking Canadians is to put their lives on hold. Even worse than putting their lives on hold, it is asking Canadians to watch their lives go down the tubes.

There was no mention of training—

Mr. McCreath: It won't work in Halifax with that nice new contract.

Ms. Clancy: The contract that begins in 1993? My hon. friend talks about the new contract for Halifax. I presume he is talking about the contract to build the coastal patrol vessel. They are supposed to commence in 1993 and heaven knows, that every loyal Nova Scotian prays that that contract will come into being. Indeed that contract should have been given out six or seven years ago. We might now have a coastal patrol vessel that could go out and do some good work on the nose and tail of the Grand Banks, as my hon. friend from St. John's East knows.

As my hon. friend from the South Shore knows the problems on the nose and tail of the Grand Banks relate not too distantly to the fact that we do not have the ships that can go out there to enforce our fisheries law.

Mr. McCreath: Tell us about the cuts in the Armed Forces that the Liberals made.

Ms. Clancy: Oh, for the Trudeau years, if only they were back, and back they will be very soon.

Mr. McCreath: They are still with us.

Ms. Clancy: Yes, indeed, the only good thing left in this country are the remnants from those years.

There was no mention of training for the unemployed to allow them to re-enter the work force. For those of us who represent Atlantic Canada where we have seen the fish plants close, where we have seen in my usually economically fairly sound riding of Halifax 800 jobs gone with the closure of the Sears catalogue shopping centre, with the threatened closures at Imperial Oil in Dartmouth, with closures up and down the provinces of New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland, one would have thought that somebody in this government might have given a moment's consideration to people who not only have no jobs but who have under this government's policy no reasonable hope for a job in the near future.

You know what the theory is, Mr. Speaker? I will tell you what the theory of this government is. The theory of this government is move or starve. That theory is the one they want to put into force in Atlantic Canada. I should think that my colleagues on the other side of this Chamber who represent Atlantic Canadian constituencies would feel just as bad about this as I do. I would not mind hearing from them on that score.

In fact, the federal government, in not mentioning training for the unemployed to allow them to re-enter the work force, cut $100 million from the Canadian Jobs Strategy Program, this strategy which is aimed at improving employment training to immigrants, to the disabled and to those people who have been forced upon the welfare rolls in this country. Those are the people, those are the ones with the least hope and this government has cut out for them any possibility of hope for a job in the near future or even, at least until an election, the distant future.

An hon. member: Poppycock.

Ms. Clancy: Codswallop is better.

Mr. McCreath: Who wrote your speech?

Ms. Clancy: I write my own speeches, unlike the member for South Shore.

A lot of these people are now relying on social assistance because their eligibility under unemployment insurance has been exhausted. Why has their eligibility under unemployment insurance been exhausted? I will tell you why. Because this government has taken the unemployment insurance program, particularly in Atlantic Canada, where Atlantic Canadians from the South Shore and from Newfoundland depend upon a seasonal economy and depend upon unemployment insurance for part of their yearly income, and it has gutted it. Gutted it. That is what this government has done. It has gutted it. That number of Canadians forced upon the unemployment rolls and then upon the social assistance rolls can only rise. That is the tragedy that we are facing in this country in 1992. Tory times are tough times.

Coupled with this, there is nothing in the budget to get the economy going again, no strategy to improve our competitiveness. What do we hear from this government all the time? We hear about being competitive. We hear about Canadians being challenged to be competitive. No one in this House, I think, denies that Canadians, given a true level playing field, can be as competitive as people in any other country. It does not mean being competitive with the thought of going into some kind of continental free trade deal with workers who work under ghastly conditions for $1 a day or 30 cents an hour.

Mr. McDermid: You sound like a socialist. What nonsense.

Ms. Clancy: The hon. minister says: "What nonsense". I wish the hon. minister would put his money where his mouth is and tell me what his plans are to start this economy moving again. It is stalled and he knows it is stalled.

Mr. McDermid: It has moved. It has moved.

Ms. Clancy: Yes, moving down. That is where it is moving.

The government speaks of an ever-changing global economy and the need for a highly skilled work force, but it has chosen to abandon those programs that would set us on the road to becoming a truly competitive nation. Thousands of Canadian jobs are moving south of the border, thousands. In the province of Ontario, in the province of Quebec, they are moving, they are gone. In the other provinces, thousands of people are going as well.

Last week I talked to a young doctor in Halifax who would be a stellar addition to the medical profession wherever she chose to practice. She came to see me, among other things, to tell me that she was leaving to go to the United States. Why is she leaving to go to the United States? Because she is overtaxed, because her equally well educated husband cannot find a job. She is working 18 hours a day and, as she says, has no time to see her children. It is no life, so she is leaving for the United States where she can have a more normal life, where her husband will find employment and where she will see her children.

What is this government doing about this kind of brain drain? Not one thing. Thousands of jobs are moving south of the border, thousands of jobs out of Atlantic Canada moving to central Canada or south of the border. Agencies shut down. ICOT in Nova Scotia shut down. The Science Council shut down, the Economic Council shut down. If we are so concerned about training and education and competitiveness, why is this government cutting off its own nose to spite its face?

It is not sensible. It is not rational and it does not portray any kind of foresight on the part of this government. The government has done major damage to post-secondary education in this country by its cuts to

Established Programs Financing. Universities in this country—I spoke on this last week—are suffering. My hon. colleague from St. John's knows that the universities in Atlantic Canada are suffering particularly. Dalhousie University had to raise the tuition for its hard-pressed students by 10 per cent this year. Students no longer can make anything close to the money they used to be able to make in the summertimes to even begin to pay their tuition fees, if there were any jobs, which there aren't, so there is no chance for them at all.

• (1330)

I turn to housing in this budget. The home buyers plan, modelled, I must congratulate the government, after the Liberal Party's own proposals, allows first-time home buyers to withdraw up to $20,000 from their RRSPs for down payments on a home. It is expected that the purchase of a home will have an important ripple effect in the manufacturing and construction industry. Approximately 100,000 holders of RRSPs are expected to take advantage of this opportunity. However this move, good as it is in the sector that it helps, will do nothing to improve the housing situation for those that do not have RRSPs and depend on federal aid.

Cuts to the social housing budget mean that funds available for new units will decrease by 50 per cent in three years.

Who of us in this House has not seen on the streets of our major cities the homeless. Who of us, in our constituency offices, has not dealt with single parents looking for decent, affordable housing for themselves and their children? Who of us has not seen women, having left an abusive situation, desperately seeking second stage housing for themselves and for their children to maintain a safe environment.

What is this government doing? It is decreasing the funds available for new units by 50 per cent. Where is the compassion? Where is even the rationale? Is it just throw everybody out on the heap and hope that the fittest will survive?

I suggest that the members of the government should look to their laurels because their own survival is pretty shaky, based on this kind of government policy.

In 1991, $91 million was available for new social housing units. In 1992–93 that went down to $70 million. In 1993 to 1996, only $45 million will be available.

To a lot of people that sounds like a huge amount of money. But it is less than half of what was available last year. We still see more and more of the homeless on the streets of our cities. We still see the under-housed, we hear the complaints, the pleas from people looking for a decent place to live.

Is there anyone in this House who does not believe that all Canadians deserve a decent place to live? Or is their response "let them eat cake"? I am afraid that we know what the response is.

Another casualty of this year's budget on housing is the elimination of the co-operative housing program, which provided non-profit co-operative housing to low and moderate income families. In Nova Scotia alone, this program enabled 2,000 families to secure housing.

Co-operative housing got its start in the province of Nova Scotia, through the efforts of Monsignor Moses Coady and Father James Tompkins of the famed Antigonish movement. Co-operative housing and the co-operatives in Canada in general started in Antigonish many years ago, and it is something that all Canadians have come to understand. It is a good program, it is a solid program, it gives people the opportunity to own their own houses and to have the right and pride of ownership.

What has this government done? It has decimated this program. It has obliterated this program. It says: "Nope, sorry, we don't care any more and we are not going to give you this opportunity".

The members on the opposite side should hang their heads in shame. But, mind you, their heads have been hanging so low for so long it's probably hard to tell. It is all in the degree of angle.

This government claims that the lowering of the personal surtax will result in lower taxes. Certainly it will, for high income earners. This only translates into a $2 dollar a year saving for a family of four with a combined income of $15,000. For families with incomes above $40,000, the so-called tax cut amounts to $44 a year. Some tax break.

Canada is facing serious problems and this budget leaves me wondering if the government is even aware of what it is doing. Unemployment, overfishing, low com-

modity prices, plant closures, violent crime, drug abuse, hunger, homelessness and more; the list goes on. There is nothing in this budget that deals with any of these problems. This is a government that says: "Do not tell me about it. I do not want to deal with it. I do not want to know about it. Canadians can fish or cut bait". That is not the only thing they are going to cut come the next election.

We have another thing in this budget that relates to education and it is the fact that this government is trying to deceive Canadians by reducing the student's taxable income by $20 a month while at the same time increasing student debt loads. Continuing to charge the GST on books—GST on books, imagine. Let us just stop and think about that for a minute. A tax on learning, a tax on reading in Canada—appalling. It is no wonder I cannot catch the eye of anybody on the other side of the House. They must be ashamed and rightly so.

The government is continuing the regressive 3 per cent surcharge on student loans. That, in particular, is a scandal. As I said before, it is impossible for students in this country today to earn the money during vacation or with part-time jobs to pay their tuition, to keep themselves going. Therefore, what is post-secondary education becoming in this country? It is becoming a privilege of the wealthy.

I come from a part of the country where there are wealthy people, middle income people and poor people. But I also come from a part of the country where for many years, most of them under Liberal governments, post-secondary education was a viable goal for the children of fishermen, the children of farmers and the children of coal miners and steelworkers in every region of Atlantic Canada, the children of plant workers in northern New Brunswick. Is it a viable goal today? No it is not. It is a viable goal for the children of the upper middle class and even then it is a pretty rough go.

Putting a tax of 3 per cent on student loans is shocking. It is absolutely shocking on the part of a government that talks about competitiveness, training and then in the end pays little more than lip service to the exigencies of getting an education in Canada in the 1990s. Starting with the new loans made for the 1992-93 academic year, the government will cancel the six month interest free post-graduation period for students with Canada student loans.

I would make a bet that for a significant number of people in this House, the baby-boomers in this House and there are a fair number of us, we all took advantage of that six-month post-graduation period in which to get ourselves started and under way before we started paying the interest on our student loans. Are the graduates of today less worthy than we were of getting a small break from their government, especially when they have the 3 per cent surcharge to deal with currently?

This regressive measure will increase the debt load of poorer students who rely on Canada student loans to get an education. It will probably put a university education beyond their grasp, absolutely. Some ability to compete! Some ability to make Canada and give Canadian students a level playing field.

Measures introduced by this government since 1986 will result in a $1.6 billion cut in federal support for post-secondary education in 1992-93 and a cumulative cut from 1986 to 1993 of $4.9 billion. Let us look at this compared with the reality of obtaining a post-secondary education. In Nova Scotia, tuition fees have jumped 24 per cent in 1991, and as I mentioned before, are set to rise another 10 per cent this coming fall.

• (1340)

Since 1985-86, tuition fees at Dalhousie have risen by 49.7 per cent. The average cost of room and board rose by $1,200. I could go on and on and on. We all could go on and on and on, but the bottom line—the Minister of Finance has talked about a bottom line budget—is that this budget does nothing to help Canadians who need it most.

It does nothing to jump-start the economy. It does nothing to retrain people crying for jobs, and it does nothing to make Canada competitive and to give Canadians a level playing field in a down-sized economy. This budget is a sham, a scandal and a disgrace.

Mrs. Dorothy Dobbie (Winnipeg South): Mr. Speaker, I would like to thank the hon. member for her lesson in economics. It was a most interesting one.

She left out some details however. It may, indeed, be true that we do not have enough dollars to pay for every whim and fancy of every single Canadian across the country. The member also mentioned that she would like

to see us kick-start the economy, but what she did not tell us is how much she would like to borrow in order to do some of the things that she talked about.

How much money would she borrow, where would she get it from and at what cost to Canadian taxpayers? They are already paying 35 cents out of every tax dollar they send to Ottawa to service the debt accumulated by previous governments that the hon. member is very, very familiar with. They are from the past, before 1984.

I guess my question would be: Where does this money come from to pay for all of the things that Canadians would dearly like to have and to pay for all the things that Canadians enjoyed even though they could not afford them in the past? How would the hon. member raise the funds for this? Would she raise taxes?

This government in its recent budget reduced taxes. At least, if it is not a huge amount of money, it is a step in the right direction. It shows a commitment that this government has to reducing the over-all tax burden on ordinary Canadians, a tax burden that Canadians are telling us they no longer can support.

It is not a matter any longer of governments using politically popular programs to re-elect themselves by spending taxpayers' dollars. Taxpayers simply will not accept that.

Perhaps the hon. member could tell us how she would support all of these programs without increasing taxes, without increasing the burden of debt on the taxpayer and somehow, without being cynical and buying votes, how she would do these things?

Ms. Clancy: Mr. Speaker, I am delighted that the hon. member for Winnipeg has asked me those questions.

I would just like to begin with a comment that I think Canadians know what it is they can no longer support. They are not some of the things that the hon. member was talking about.

I would also like to make a comment on her statement about education being a whim and a fancy. If she thinks that young people, desiring to get a higher education in this country, are the subjects of whim and fancy, then I am even more frightened for the future of this country while this government stays in power.

Let us get to the meat of the question. The question was: What would I do? How would I pay for it? First of all, we have an unfair tax system in this country. The tax system is all skewed up. This government's people said that when they were in opposition, lo these eight years ago. It is a terrible tax system. It is all fouled up and it is all wrong. It ought to be changed.

This government is in power and has been in power for eight years. What has it done to change the unfairness of the tax system in this country? Zippo. Nothing. This is the government that brought us the GST. That is what it did to change things. It put a tax on the poor and on children. It put a tax on reading, it put a tax on essentials. What did it do to make the tax system in Canada fairer? Not one thing. Nothing.

Make the tax system fairer, that is what my hon. friend needs to do. If she has influence with this government of hers, let us see it done before the next election.

The other thing she said is that the government cut taxes. I thought I dealt with that in my speech. I am sure my colleague from Cape Breton Highlands—Canso heard me do so. I am sure I did.

I will repeat this very slowly so that the hon. member hears me.

If you have an income of $15,000 per year and a family of four, you are part of a group into which all too many Canadians fall. This step in the right direction that my hon. friend talks about is worth $2 per year. I am not sure what exactly you could buy for a family of four, GST included, for $2. Perhaps the hon. member can enlighten me. If you have an income of over $40,000, a median income for a family of four, you get $44. I wonder if anybody, including the hon. member, could enlighten me as to what kind of a spending spree you could go on with $44, again GST included.

This goes past the realm of incompetence. I am shocked that the hon. member would put such a naive question. I am shocked that she would insult the intelligence of Canadians to such a degree.

I for once am speechless.

Mrs. Dobbie: Mr. Speaker, I just want to mention that the hon. member did not answer the question about how she would pay for additional programs spending. She talks about a fairer tax system but I wonder. She does not tell us what that might be. She does not tell us why her government in previous years did not create that system when it had control of this country for most of this century.

I would also suggest to the hon. member that in addition to cutting taxes in this recent budget, the federal government created better opportunities for lower income families through a new child tax credit that gives the lowest income families about $1,700 per year, which is quite a bit of money. You could do quite a bit more than the hon. member pretends. Those people benefit all the way round, lower taxes plus a higher child credit.

The hon. member could perhaps answer my question. Perhaps she does not have an answer. If she does not, maybe she does not want to stand up. She has said she is speechless and perhaps she will remain that way. My question was: How would the hon. member raise the kind of money that it would take to do some of the things that she has suggested in her speech and that Canadians would like to see done? She should share this with us. All members in this House would like to be able to provide all kinds of services to Canadians, but we need to have the money to do this.

Ms. Clancy: Fix the tax system.

Mrs. Dobbie: Simply saying a fairer tax system is not going to provide that kind of money. If you take from one part of the tax system and add burdens to the other part of the tax system, you do not raise more money. Perhaps the hon. member has a magical solution, a magical formula that she has not told anybody yet. We have not been able to find this answer anywhere else.

Ms. Clancy: Mr. Speaker, I can tell my hon. friend from Winnipeg South that step one in the magical formula is issue the writ.

Step two in the magical formula is bring on—

Mr. Van De Walle: You haven't any.

Ms. Clancy: Absolutely. Step two is the change in the tax system. The hon. member's party has been eight years in government. I realize that she like myself arrived in 1988. If the hon. member has no ideas as to how to reform the tax system and she wants to know what the Liberal ideas are about reforming the tax system, can I tell her that should she wish to cross the floor, we will take it under advisement and consider it. I am sure my hon. colleague the Whip could give her a decision. Then she could become privy to the stellar policies of the Liberal Party of Canada.

She wants to talk about jump-starting the economy. I will say this very slowly so that I will not be misunderstood and so everyone, even the hon. member for St. John's East, can understand it. Hear me. We have been telling this government for months now of one, only one project, that would make a difference to this economy, that would jump-start it and start pumping some money into it. That is the infrastructure project. How many times I ask my hon. colleague for Cape Breton Highlands—Canso, how many times I ask my hon. colleague for Sudbury, have we suggested this to the government, how many times have we said that this is a major giant step to turning this country and its economy around?

I do not know what we can do, not having the government's budget for self-aggrandizement through advertising in newspapers. Again I say it. I say it now. The infrastructure project, think about it. It is a good idea, just like the RRSP idea was a good idea as long as you do not kill it in the second half of the puzzle.

• (1350)

The hon. member says to me: "What ideas?" Our ideas are put forward every day. I have given a few here and now. I have said what can be done. I have spent three and one-half years telling this government what it can do. Is it any wonder I am depressed when it does not listen to me and when it does not take my advice. Even someone as effervescent as myself can get depressed at the response from this government.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I want to take part in this debate of third reading of Bill C-61, an act to provide borrowing authority for the government.

When Canadians go to the bank and ask to have credit extended, the banker wants to know how they are doing financially and what their intentions are for repayment. It is important that we parliamentarians, before we authorize the government to borrow money, see what

the government is doing and where the government is going with their economic and financial policies.

In fact, in the past two weeks Canadians have witnessed both the presentation of the budget and the tabling of the estimates. Together they are the primary tools used by the government to enunciate its fiscal, economic and social policies.

The budget is the major statement of the economic direction which the government intends to follow. Last February in this House the government demonstrated to Canadians its intent to continue to follow the road to economic hardship and high unemployment.

We do not have to go through the whole book; we just have to look, for example, at unemployment predictions. For the coming year the government is predicting the same high unemployment rate that we have right now. Therefore, that concludes that the government intends to follow the same direction that produced record layoffs and record bankruptcies.

Just prior to tabling his budget, the Minister of Finance qualified his budget as being realistic, in other words, a budget conceived with today's economic reality in mind. Canadians can only conclude that the minister must have been in another world when he dreamed up his latest budget.

Today a Gallup poll came out on the budget. Only 23 per cent of Canadians believe that the budget is going to do something to help the economy.

If the minister wants to discuss reality, I would tell him that the reality is that 1.5 million Canadians are out of work. The reality is that over 13,000 businesses and 62,000 consumers went bankrupt in 1991. The reality is that Canadians are taxed more today than in any other period in history. The reality is that both business and consumer confidence in the economy is at an all-time low. That is the economic reality in which we find ourselves today.

The problem is that the Conservative government has failed once again to face the reality and address the most important issues. For the minister to acknowledge that the unemployment rate would remain over 10 per cent, as I said before, for the next fiscal period is irresponsible.

[*Translation*]

Obviously Canadians are going to be suspicious when the Minister of Finance says he intends to follow the same path as his predecessor. Consider what happened since last year's budget was brought down. A year ago the Minister of Finance at the time rose in the House to read his budget speech. I would like to quote just one sentence from *Hansard* of February 26, 1991. The minister said:

> This budget sets out a Plan for Economic Recovery—a strong, confident recovery that not only puts the recession behind us but leads us forward to continuing growth and renewed prosperity.

Let us look at the programs set out in this budget, the one used by the Minister of Finance today, and we will see that he has not succeeded in leading us to a period of renewed prosperity. We will see that we are far from prosperity. All that the Conservative government's economic program has been able to create is a long list of victims. The victims to whom I refer are the 62,277 Canadian consumers and 13,495 Canadian companies that went bankrupt in 1991. That is an increase of 39 per cent over the previous year. That is far from the road to prosperity promised by the Minister of Finance.

I also refer to the 1.5 million unemployed Canadians and I do not count those who are no longer looking for work because they are discouraged, like many jobless people. The Conservatives' economic policies have not been able to create prosperity in Quebec either. Indeed the province of Quebec lost 68,000 jobs in 1991 and another 4,000 in January 1992. In Quebec 18,319 consumers and 5,217 businesses went bankrupt in 1991. Officially Quebec now has 405,000 unemployed, not counting those who have given up looking for work.

In Montreal the average unemployment rate in 1991 was 12.2 per cent, an increase of 2 per cent over the year before. This negative trend does not seem to end, since unemployment in Montreal rose to 12.4 per cent in February 1992. The government is ignoring the importance of Montreal's economic well-being for Quebec and all of Canada.

The metropolitan area provides nearly half the employment in the province. Unfortunately, according to a recent report, one adult in two in the Montreal region does not work. This is intolerable, in what is one of Canada's major metropolitan areas.

Last year was one of the worst for tourism in the Montreal area, and tourism is not the only sector that is crumbling under the Conservatives. The manufacturing sector in Montreal has also been hard hit.

As the member for Saint-Léonard, a riding where manufacturing plays an important role, I know that eastern Montreal is dying. For 10 years, the number of plant closings and job losses has been very high. We lost 900 jobs when Angus closed down; 380 at Vickers; 900 at Welfab steel products; 500 at Esso; 450 at Gulf; 591 at Steinberg, and the list goes on, Mr. Speaker.

Montreal is on its death bed, with 10,000 more unemployed workers than in 1986. Despair, that is what the Conservative path has led to.

And on top of that, the latest budget does nothing to stimulate job creation in this country. How can we get the economy back on track, when more than 10 per cent of the community is not working, according to official statistics? We proposed a plan to modernize infrastructures. It was a five-point plan, and the government is to be commended for having accepted and implemented two of them, but a week later, interest rates went up again. When people are ready to withdraw $20,000 from their Registered Retirement Savings Plan to buy a house, do you really expect them to when all of a sudden interest rates go up again? This has just destroyed any motivation they had. That is why the economic situation in Montreal continues to be a disaster.

Everyone agrees that to get the country out of this slump we must get consumers to spend. However they are not spending, either because they are unemployed or they are working but their purchasing power is going down. Every weekend we see people cross the border because it is cheaper. Of course the government's high dollar policy does not help.

In fact what the minister gives with one hand he takes away with the other. For instance, a couple with a combined income of $40,000 and two children will receive $44 annually in family allowance. Lest we forget, on January 1, 1991 the GST came into effect. On July 1 our unemployment insurance premiums went up by 24 per cent. According to Statistics Canada we are more heavily taxed today than at any time in our history. I do not remember exactly how many new taxes this government introduced.

The Acting Speaker (Mr. DeBlois): It being two o'clock, the House will now proceed with statements by members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

RELEASE OF SECRET DOCUMENTS

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, certain documents released last week, which had been kept secret since 1970, confirmed that clandestine action was taken by Pierre-Elliott Trudeau's Liberal cabinet against Quebec and many Quebec citizens who at the time were considered to be dangerous nationalists.

This unworthy behaviour was an insult to the good faith and intelligence of Quebecers and all Canadians who expected dignity, integrity and justice from their elected representatives.

It is not surprising that these same leaders arbitrarily implemented the War Measures Act that violated the rights of hundreds of Quebecers and stained Canada's reputation as a democracy. It is inconceivable that such leaders held such an attitude against Canadians, all the while claiming to defend democracy.

I do not accept that.

* * *

[*English*]

GOODS AND SERVICES TAX

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, many of my constituents in Hamilton Mountain have been asking me about the GST, the debt and the deficit. They would like to be assured that GST revenues will not be spent on pre-election goodies.

Last year the government introduced Bill C-21 which calls for all GST revenues to be directed toward deficit reduction. After receiving second reading this bill has been sitting in committee for quite some time. We are waiting to see if the Conservatives practise what they preach on the importance of reducing the deficit. Canadians what to know: Is the government still committed to this legislation?

S. O. 31

TRUDEAU GOVERNMENT

Mr. Garth Turner (Halton—Peel): Recently released documents have linked the cabinet of Pierre Trudeau to the RCMP theft of Parti Quebecois lists. This is as shocking as it is appalling, to think that any government would use a national police force in this fashion.

In this new age of constitutional committees and conferences, royal commissions and the involvement of ordinary Canadians in nation building by the Prime Minister, Gestapo tactics like those used by the Trudeauites are unthinkable; the October crisis, falsely arresting people, using the RCMP to steal, gathering political information through criminal tactics. Remember what Trudeau said when asked how far he would go: "Watch me", he said. We are still watching, and it makes you wonder what other dirty secrets are in the closet of history.

When Trudeau comes to comment on today's attempts to heal Canada, fractured in 1980, Canadians will wonder how a man who used his office to abuse and deny Canadians their rights could now possibly utter a single word in defence of either rights or freedoms.

* * *

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Environmental assessment became a hot potato in Quebec over the weekend. Development, regardless of its impact on the environment, has been the trademark of Liberals in Quebec for decades. Take, for example, the flooding caused by the hydroelectric projects James Bay I and II, a total of 25,824 square kilometres. This is six times as much land flooded by one project as is protected by all the provincial and national parks in Quebec combined.

The Brundtland World Commission on the Environment recommends 12 per cent protection as a minimum. Quebec has 0.3 per cent protected lands.

The Quebec Liberal Party voted unanimously over the weekend to "denounce and condemn federal environmental assessment Bill C-13". The great Liberal tradition of being firmly on both sides of every issue was confirmed by all Liberal MPs voting for Bill C-13. Not unlike the weekend remarks of former Prime Minister Trudeau about the Liberal decision to steal the membership lists of the Parti Quebecois, "the record is there; that is all I can say". The member for Vancouver Quadra was the Minister of Justice at the time and Leader of the Opposition was in cabinet. Let us hear from them today.

* * *

THE ENVIRONMENT

Mr. Stan Wilbee (Delta): Mr. Speaker, this past week a very significant group of parliamentarians met in Vancouver to discuss our role as parliamentarians in relationship to the environment, particularly as it relates to increasing urbanization and development of megacities. There were about 150 delegates representing 60 countries from both developed and developing countries. The meeting resulted in acceptance and publication of the Vancouver Declaration of Global Parliamentarians and Habitat on Human Settlements and Sustainable Development.

I congratulate the hon. member for Fraser Valley West on his election as chairman of this body and also the member for Ottawa West on her selection as a member of the executive because of her hard work and leadership on women's issues.

We anticipate more good work from this exciting body.

* * *

SEX OFFENDERS

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the problem of dangerous sexual offenders is one that requires action on the part of the government. Convicted sex offenders are sentenced to a term in penitentiary at the conclusion of which they are released into the community. Psychologists and specialists in deviant behaviour know that the likelihood of repetition of the offence is very great. The police know that nothing can be done to restrain the offender until he has reoffended. Another victim and another penitentiary sentence.

Surely it is time to devise a new means of dealing with and treating these offenders. Surely the criminal justice system is ill equipped to protect our children and stop these crimes.

I urge the government to look at the possibility of special treatment facilities for such individuals to protect the defenceless in our society and try to provide some help for these disfigured criminals who cause us all such anguish and hurt.

* * *

SEARCH AND RESCUE

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I have with me today a petition signed by some 14,700 residents of southwest Nova Scotia from Shelburne County through to Digby County. It is my intention to present this petition later today to the Minister of Fisheries and Oceans.

They express a concern of the people of southwest Nova Scotia over the possibility that the search and rescue helicopter service which has saved over 40 lives over the course of the past three years will be removed from Yarmouth.

Yesterday some 300 people met at the Yarmouth airport together with municipal, provincial and federal politicians to express their concern and to urge the government not to allow an end to the vitally important search and rescue and fisheries surveillance service.

I join with those residents in urging the government to find the means to ensure that this service remains in place for the benefit of fishermen and their families in southwestern Nova Scotia.

* * *

RIVERTON

Ms. Mary Clancy (Halifax): Mr. Speaker, something must be done about the terrible plight of the Canadian forces auxiliary vessel *Riverton* based in Halifax and crewed by civilian employees of DND.

Repeated pleas by the crew of this vessel have fallen on deaf ears and they paint a sad picture. Cramped quarters, obsolete machinery and inhuman working conditions face these men on the *Riverton* every minute they are at sea. They have consulted with management and heard nothing. They have complained to management and were told that if they continued to complain they might lose their jobs.

Eight men live in a space that is suitable for two people. There is no recreational space. Fourteen men must eat in a mess the size of a closet. How long will the government allow this situation to continue?

The *Riverton* is vital to the TRUMP program and to the frigate program but the government makes repeated promises for a refit that never takes place.

The government must keep its promise to refit the *Riverton* this spring. The top priority must be the installation of adequate crew facilities so that the crew can feel like humans rather than animals.

* * *

HELICOPTER PURCHASE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, the federal government is currently negotiating to buy 50 EHI 101 helicopters from European Helicopters Industries Ltd. in England. Part of the negotiations include a requirement that EHI contract out to Canadian manufacturers for components of equal value to the main contract. Further, Atlantic Canada is to receive 10 per cent of the opportunities provided from these industrial benefits.

It is very important that these guidelines be met and that companies like IMP Aerospace in Amherst, Nova Scotia be given the opportunity to contract for these helicopter components. IMP was recently awarded the AQAP–1 quality recognition from the Department of National Defence which qualifies it as an outstanding manufacturer of airplane components and is now recognized world-wide. In addition, IMP Aerospace from Amherst has also qualified for the Boeing D1900 quality approval certification.

It is most appropriate that this factory have the opportunity to bid on this work considering that it was one of the industries most severely impacted from the termination of the tracker program.

I call on the various departments of government involved to ensure that Atlantic Canada gets its fair share.

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STONE CONSOLIDATED PAPER MILL

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, this past week the New Brunswick NDP Federal Council of Ridings, while meeting in Moncton, passed a resolution congratulating the workers at the Stone Consolidated Paper Mill in Bathurst. I was

pleased to attend this meeting along with our New Brunswick leader, MLA Elizabeth Weir.

Threatened with wage rollbacks and closure, with no guarantees, the workers headed by Mr. Rick Doucet of the Canadian Paperworkers Union held to their position. Their fear was that to capitulate to Stone would have given this industry a beachhead on which to attack the workers who work in this industry which is facing many problems today.

• (1410)

In a statement the union says that this is not a problem created by workers. The New Brunswick workers are well qualified and hard working. We ask that corporate Canada be as responsible as the workers of Bathurst.

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NUCLEAR INDUSTRY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, the world is rapidly recognizing that atmospheric pollution must be stopped. It is also recognizing that nuclear power will play a major role in achieving that result.

Canada has a significant contribution to offer through our global leadership in nuclear plant design and operation, particularly with development of the Candu III reactor.

In turn my own province of New Brunswick is in a position to create lasting industrial development by seizing the opportunity to build our existing nuclear energy experience to become Canada's centre of excellence in Candu III manufacturing and marketing. This is potential of a world scale.

The nuclear opportunity for New Brunswick may be fleeting. Competition is already in the wings. New Brunswick should act now.

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RACIAL DISCRIMINATION

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, March 21 marked the anniversary of the Sharpeville massacre and as a result was proclaimed as the international day for the elimination of racial discrimination by the United Nations.

It is celebrated this year at a very timely moment with the encouraging results in the South African referendum.

But we need not go as far as Africa to look at how we correct racial discrimination. We must look at ourselves at home. We can look at the police files against Haitians. We can look at the difficulties experienced by visible minorities in their job search. We can look at the attacks on refugees and immigrants. We can look at the notorious hate literature campaign and certainly the discrimination experienced by aboriginals in our court system.

As an antidote to these events I would like to commend the constructive initial responses by the Citizenship Council of Manitoba which this year distributed 130,000 "No to Racism" stickers throughout the schools and among 90 citizens' groups.

It is a way of showing how the community can draw awareness to the issue of racism and giving individuals the opportunity to express their personal opposition.

In a recent survey multiculture—

The Acting Speaker (Mr. DeBlois): Order, please. Your time has now expired.

* * *

UNIVERSITY OF CALGARY

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, I rise to congratulate the University of Calgary law school team which won first place in the Canadian division of the Philip C. Jessup International Law Moot Court Competition. The competition involved nearly all the law schools in Canada. It was held in Saskatoon on February 1 and 2. Members of the University of Calgary team are Jonathan Blakey, Leslie Morris, Hilary Stout, Kerri-Anne Thomas, and Kevin Zemp.

The Jessup competition presents students with an international law problem which they are then required to debate in front of the International Court of Justice. To score well takes considerable finesse and skill. The competition provides a forum for students to practise their debating and analytical skills.

As the Canadian champions the University of Calgary team will travel to Washington, D.C., on March 28 to April 4 for the international round of competition. Approximately 30 countries will be participating.

As second place winner of the Canadian finals, the team from McGill University will also be going to Washington.

On behalf of my constituents in Calgary Southeast and my hon. colleagues here today in the House I would like to wish both teams the best of luck.

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CHALLENGE '92

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, there is another nail in the coffin of the government's so-called prosperity initiative. Remember that one? It included promoting education and training, doubling the number of scientists, mathematicians and engineers and so on.

Friday when he thought no one was looking the Minister of State for Youth, instead of the usual press conference, sneaked out a bad news news release on the summer employment program called Challenge '92.

After $9 billion in cutbacks have increased college and university fees by as much as 150 per cent, after making student loans more difficult and expensive to repay, and after engineering a recession where youth unemployment has risen to almost 20 per cent, the government announced another cut in real dollars for student summer jobs.

Now funding is only 40 per cent of what it was in 1985 in real dollars and only half as many students will be supported.

Now instead of filling classrooms more youth are filling unemployment lines. That is really some prosperity initiative.

* * *

MADE IN CANADA

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, the three words made in Canada mean quality. Made in Canada creates jobs. Made in Canada shows the world that we mean business.

I urge the federal government to initiate a nation-wide program promoting made-in-Canada products. This campaign, supported by retailers, manufacturers and government is to remind consumers that first-rate products are available and being produced here in Canada. A campaign to buy made in Canada will create and maintain jobs for Canadians and boost the economy. This would be a win-win situation.

I urge all Canadians to support made-in-Canada products and look for these three words when they shop.

VIA RAIL

Mrs. Diane Marleau (Sudbury): Mr. Speaker, in 1989 when the Minister of Transport announced huge cuts to VIA Rail services, he promised that for the particularly remote regions we would maintain nine so-called remote routes in the national transportation system so that citizens who do not have other means of transport could still travel.

Now we are seeing the same government go back on that promise. VIA Rail has decided not service some stops between Capreol and Armstrong, Ontario. These stops are valued by tourist operators, cottagers, outdoorsmen and native people who have no other access to the lands.

These cuts are negatively affecting the people who least deserve it. For one tourist resort owner, this cut in service means the train will stop two miles past his resort. Customers must walk back along the track two miles winter and summer. This inconvenience is occurring all along the track and is just one more example of how the chances for northern development have been weakened at a time when they should be strengthened.

ORAL QUESTION PERIOD

[*English*]

TRADE

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister.

Two weeks ago in Toronto, speaking of trade disputes, the Prime Minister accused the United States of acting like a tin pot dictator. We all saw him on television and boy, was he going to be tough. He told Canadian auto workers that he would stand up for them. Last week, when he was in New York, he said that trade disputes

were "low-level harassment by functionaries in the administration".

Why did the Prime Minister talk tough in Toronto and wimp out on Wall Street?

Right Hon. Brian Mulroney (Prime Minister): Speaking of wimps, how have you all been while I was away?

Some hon. members: Oh, oh.

Mr. Mulroney: Mr. Speaker, my hon. friend has of course again, and no doubt inadvertently mislead the House. What I indicated in Toronto was exactly what I indicated in New York. There was no change at all in a statement made in Toronto as opposed to a statement made in New York.

If my hon. friend would like to take the time before she asks her next question to consult and then table both transcripts, I know she would want to do so with an apology.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the person who should be tendering an apology is the Prime Minister who did not stand up for Canadian jobs when he was in New York.

I would like to quote him directly. This is what he said: "I said low-level functionaries. I won't go any further than that. It's not President Bush. It's not his cabinet".

I want to ask the Prime Minister this question. If it is just a couple of low-level functionaries, why have the issues not been resolved and why has the American government not dropped actions on softwood lumber and Hondas?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have indicated from the very beginning—my hon. friend has made my point. That statement was one I made both in Toronto and New York, that the action taken in the United States was not an action initiated by the President of the United States.

My hon. friend from Newfoundland is chuckling. That just indicates ignorance. The fact of the matter is that this action was not initiated by the President of the United States. It was initiated by lobby groups who attacked the American administration which then, at the level of low-level functionaries, responded with an action that damaged very seriously the interests of Canada. It was at that point I indicated that if this kind of action had come from a small country with a tin pot dictator, that would be one thing but coming from a great trading nation like the United States, this was most unworthy. That I said in Toronto, that I said here and in New York.

• (1420)

Thanks to the free trade agreement, we have initiated—

Some hon. members: Oh, oh.

Mr. Mulroney: Had it not been for the free trade agreement which gives us—

Mr. Axworthy (Winnipeg South Centre): We are taking it on the chin.

Mr. Mulroney: Mr. Speaker, the member for Winnipeg is finding this so entertaining, it is the first laugh he has had in a long time. I will keep it up.

Some hon. members: Oh, oh.

Mr. Speaker: Somebody should probably put a stop to that. The right hon. Prime Minister may wish to complete his answer.

Mr. Axworthy (Winnipeg South Centre): He's too embarrassed.

Mr. Mulroney: My hon. friend from Winnipeg says that I am too embarrassed. I will acknowledge to him that I would be very embarrassed today if this was the final word in the United States.

That would have been the final word in the United States prior to 1988, but under the free trade agreement we have access to a dispute settlement mechanism, whereas we would have been dead as doornails under the Liberal policy. Under the dispute settlement mechanism, we have won these cases and we will win these cases on behalf of Canada.

Most recently we had a pork decision which affected so vitally the interests of western producers. Had the hon. member from Winnipeg's view prevailed, the western pork producers would have been down the drain. As it was, their case was safe.

Mr. Speaker: Perhaps we should move on.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I understand that the Prime Minister is very embarrassed about his change of position between Toronto and New York.

I will ask him a very specific question. He pretends that it is only bureaucrats and functionaries. However, it is the Commerce Department, headed by Carla Hills who is in cabinet with George Bush. So I ask him again why he was not able to solve this problem with his great friend George Bush, since it comes from the U.S. Commerce Department and directly from Carla Hills.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the hon. member is again mistaken. The U.S. Commerce Department is not headed by Carla Hills. That is another mistake from the hon. member for Hamilton East.

She was wrong to talk about a flip-flop. It was an error and a lie when she said it in English and it is the same in French.

Mr. Speaker: One moment, please.

[*English*]

The right hon. Prime Minister is suggesting that the question was a lie. I may have misheard it but I would hope that the right hon. gentleman would certainly correct that immediately.

Mr. Mulroney: I will be happy. I have already indicated that the statement made by my hon. friend in regard to a quotation was false. It was false when she made it in her first question. It was false in her second and it is false in French.

It is not a direct quote. I have invited my hon. friend to produce both transcripts. When she produces both transcripts, she will see that contrary to what she has indicated, I have said exactly the same thing in New York as I did in Toronto. That will come as a surprise to a Liberal.

Mr. Speaker: I think the difficulty is at least in the translation. The Prime Minister is in the position—according to the translation—of having said that the hon. member's statement was a lie.

That may be inadvertent. It may be a mis-translation, but I would ask the right hon. gentleman to make it very clear to the House that that is not what he intended to say.

Mr. Mulroney: Mr. Speaker, I indicated in English, and I gave my hon. friend the benefit of the doubt, that I believe that the mistake was inadvertent.

I indicated very clearly that in my judgment the mistake was probably inadvertent. Notwithstanding the very important qualification that I gave my hon. friend, the same error was then repeated again in English and was then repeated again in French. Clearly it was not inadvertent, clearly it is an attempt by my hon. friend to impute to me something that I did not say.

Now if the shoe fits, my hon. friend can wear it.

Mr. Speaker: I wonder if hon. members would leave this to the Chair.

As interpreted, the right hon. gentleman indicated that the member putting the question had said something which is a lie. There is a distinction, of course, between a lie and something that is in error or mistaken or otherwise. All I am asking the right hon. gentleman to do is to assure the House that he did not mean the word "lie".

Mr. Mulroney: Mr. Speaker, I will of course withdraw any comment that is at any time unparliamentary. But when the Speaker is examining the record, I know that the Speaker in rendering judgment will want to examine the fact that three times a statement that I affirmed not to be true was repeated by the acting Leader of the Opposition. That was an abuse of Parliament and for that she ought to withdraw.

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OLYMPIA & YORK DEVELOPMENT LIMITED

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Minister of Finance.

The Canadian Press today quotes Tom Van Dusen, a spokesman for the Minister of Finance, as confirming that the government has been approached by the Olympia & York Development Limited about possible assistance from the government in the restructuring of that company's debt.

In view of the involvement of a number of major Canadian financial institutions in the affairs of that huge Canadian multinational company, will he inform the House and Canadians of the options under consideration by the government in this important matter?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I can confirm to the hon. member that there have been discussions with stakeholders in the Olympia & York company. We have been involved in discussions with the government of Ontario, with financial institutions, both domestically and internationally.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplementary question for the Minister of Finance.

I ask him if he has also been in discussion with other governments on this matter. Furthermore, in view of the possible implications and extent of this situation, will the minister undertake today to keep Parliament and Canadians fully informed of all the options under consideration as this serious situation evolves?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I appreciate the hon. member's interest in this and I know he is expressing his genuine concern.

I indicated earlier that there have been discussions with the government of the province of Ontario. The discussions are ongoing with financial institutions, both internationally and domestically. Of course the discussions are at a stage where no definitive decisions have been made, but obviously at the appropriate time the hon. member and others will certainly be fully apprised of the situation.

* * *

HEALTH CARE

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

The Minister of National Health and Welfare is quoted today as saying that a social charter as proposed in the Constitution should not be there because we cannot afford it; we cannot afford to provide health care, to feed our citizens, to provide shelter for our citizens.

I want to say that before this government closes the door on the futures of thousands of Canadian children, it should close the door on tax breaks for wealthy Canadians.

We can afford to feed the children of this country. We do not have to give free lunches to corporate executives. Will this government stand up and make a commitment to feeding the poor of this country, the future generations of this country, and cut out the tax breaks for the wealthy who do not need them.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I answered that question many times last week while the leader of the NDP, I believe for some good reason I suppose, was not in the House of Commons. I can only repeat what I said at the time. I believe we made a good move with the budget and the child benefit. We put in $2 billion over five years. I also said that we should come forward soon with another package concerning children at risk. There are other policies or initiatives which could be announced dealing with the question of children.

• (1430)

In light of what I said with regard to the social charter, I did not say that I was opposed to having a social charter in the Constitution. However, I did say that when we talk about the social charter it is not enough to say that we should guarantee the young people in Canada food and so on, we have to express exactly how we will pay for this because Canadians want to know.

I know that the word resources is not in the vocabulary of the NDP, but it is in mine.

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker, for the Prime Minister.

Surely at this time when we are talking about the unity of our country we have a responsibility, as this Prime Minister and this government committed to in 1989, to eradicate poverty in this country. Yet the Prime Minister's government has abandoned child care, it has abandoned the poor and it has abandoned the unemployed.

I want to ask the Prime Minister now: Will he stand up here today and repudiate the comments that we should not in this country have a social charter that gives some common vision to this country, the common social values that we share, and give some hope to Canadians and hope that we can offer our citizens decency and compassion?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend says that the government has abandoned child care. That is not the case. That we have abandoned the poor. That is not the case either. That we have abandoned the unemployed. That is not the case either. My hon. friend knows that.

I think my hon. friend could make her point without indulging in such misleading rhetoric. There is a point to be made without this constant verbal abuse that in no way reflects reality.

My hon. friend asks a question about the minister of health. The minister of health, as I understand it, has indicated many times that he is not in any way opposed to the idea of a social charter, provided that the social charter in the Constitution involves indicating clearly how we are going to pay for it. Now I know that concept is alien to my hon. friend, but that is the only caveat that the minister of health has placed on it. He is saying that all of these socially desirable goals are fair and we could indeed support them provided my hon. friend will join the House in telling the country how all of these will be funded.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the Prime Minister. Seven hundred thousand children and more than two million Canadians do not have enough to eat in this country. That is reality, not rhetoric.

Is the Prime Minister prepared to ensure that the poor have enough to eat and is he going to change the present tax system? A billion dollars of tax money is now being used to pay for businessmen's free lunches. Is the Prime Minister prepared to end this tax system that favours the well-off and instead use these fiscal resources for the less fortunate? Does the Prime Minister have the political will to do that?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, between 1984 and 1989, the rate of poverty fell from 18.1 to 13.6 per cent in Canada. The deteriorating economic conditions in 1990 resulted in a higher number of low income people for the first time in seven years. Still, there were 576,000 fewer low income Canadians in 1990 than in 1984 and 123,000 fewer low income children.

Since 1984 the average family income, adjusted for inflation, has increased 9.7 per cent or $4,600 in 1990. Of course we have a serious problem of wealth distribution in Canada, but we are making significant progress on it, as the data show.

In asking such questions, the hon. member should stop overlooking facts and concentrating on rhetoric. Facts in the end are what govern human behaviour.

* * *

[*English*]

CN RAIL

Mr. Joe Fontana (London East): Mr. Speaker, this government's own Crown corporation has gone on a $40 million cross-border shopping binge. CN Rail announced today that it is awarding a multi-million dollar contract to build at least 25 locomotives to the General Electric plant in Erie, Pennsylvania.

This decision will cost 1,442 person-years of employment for London, Ontario workers at General Motors Diesel, the Canadian bidder for the job. This decision does not invest in Canadian technology and Canadian workers.

I want to ask the Prime Minister: Where is the buy Canadian policy for Crown agencies? Why is this government not investing in Canadian jobs instead of U.S. jobs?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, CN went out on a bid for the construction of 25 locomotives and had to consider these two bids according to their value. Clearly the lowest bidder was General Electric to which the contract has been awarded.

Because of the implications of a number of MPs on this side of the House, namely the minister himself, the Minister of State for Small Businesses and Tourism, as well as the hon. member for London—Middlesex, we worked with CN. As a result of that, there are going to be 50 more locomotives that will be rebuilt by CN for an American railroad and 36 locomotives for export which means that the number of jobs available to Canadians through this contract will be twice as much as it would have been had it been given to GM.

Mr. Joe Fontana (London East): Mr. Speaker, I would hope that the minister tables those commitments and documents, especially if it means Canadian jobs.

London's GM locomotives would contain 61 per cent Canadian content. The employment generated from awarding the contract to General Electric in Pennsylvania would not even be comparable, but while this government is offering jobs to U.S. workers, the buy

American clauses in the U.S. prevent Canadian companies from bidding on some U.S. contracts.

I want to task this government: Why is this government allowing U.S. firms to bid on government contracts when the Americans will not offer us the same opportunity? Why has this government not objected to the buy American clauses in the United States under the free trade agreement?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I clearly understand that the member was not listening to the answer because I indicated as part of this contract, 50 locomotives are going to be rebuilt by GE in Canada for Burlington Northern U.S. Railroad. As a result of the contract that has been awarded, there will be jobs for suppliers in Winnipeg, Calgary, Hamilton, Welland, Stoney Creek, London, Kingston, Prescott, Belleville, Fort Erie, Sherbrooke, Montreal, St. Laurent and Point Claire.

The total number of PYs involved in this contract is 448. It would have been 257 under the GM contract.

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POST-SECONDARY EDUCATION

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is to the Prime Minister. This year the Canadian government will be paying foreign students and foreign universities $18 million to study Canada. For example, Canadian taxpayers are funding Pennsylvania State University to study social services for senior citizens in metropolitan Toronto. How can the Prime Minister justify funding foreign universities when Canadian colleges and universities are pleading for more money?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): The minister responsible for the program is away on government business today, but I will certainly bring this matter to his immediate attention on his return.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I will put my supplementary question to the finance minister.

• (1440)

It was his budget that indicates $18 million will be spent to fund foreign students in foreign universities.

How can the Minister of Finance justify eliminating the Court Challenges Program, the Economic Council of Canada, the Science Council of Canada, the Law Reform Commission when it is spending almost the same amount of money to create American jobs and other foreign jobs? Why is his government cross-border shopping for research? Why is he eliminating Canadian jobs and creating foreign jobs?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): The question does not seem to revolve around the Canada Student Loans Program, but certainly, the minister has been working very carefully within the confines of that program. As I indicated to the member, we will get back to him at an early opportunity.

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ROYAL CANADIAN MOUNTED POLICE

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is to the right hon. Prime Minister on a different topic.

Over the weekend, the Prime Minister gave notice that there were transcripts made public of secret testimony given in 1978 by the former RCMP security division head, John Starnes to the McDonald royal commission on RCMP wrongdoings. These were made public over the weekend.

Those documents may link the former Trudeau cabinet to the 1973 RCMP theft of PQ membership lists and other confidential information.

My question is the following. In addition to this information, is the Prime Minister aware or is the government aware of any other evidence to substantiate or corroborate Mr. Starnes' claim that there was a link between the government of that day and the RCMP theft? If indeed there is such evidence, would the Prime Minister be willing to make it public?

Mr. Speaker: Just a moment. I have great doubts whether that question is in order. First of all, it involves a matter of some years ago and it involves a government other than the government which is here today.

I think it is out of order. The hon. member may wish to consider the matter and see whether on a supplemental he can bring it within order.

Mr. Nystrom: Mr. Speaker, my question is to the right hon. Prime Minister.

Since this is an ongoing concern of Canadians, what actually happened in 1969 to 1973, and in view of the fact the government is responsible for responding in this House to security questions, I want to ask the Prime Minister whether or not there is any other evidence that the Prime Minister can make public regarding what happened back in 1969 to 1973?

Mr. Speaker: With the greatest respect, it seems to me at the moment that that again is out of order. It may be an issue that can be raised in the House, but it will have to come within the rules.

* * *

TRADE

Mr. Jim Peterson (Willowdale): Mr. Speaker, my question is to the Right Honourable Prime Minister.

Has the United States consented to binding arbitration of the Honda dispute? Yes or No?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is well aware that I have responded to his question in this regard before.

The matter is subject to discussion between the United States and Canada. It might become a matter of chapter 18 consultation between the federal government and the American government, as is the case with the rules of origin question as it relates to non-mortgage interest with the CAMI operation. If that is the case, then that would be subject to negotiation but it would not be binding.

Mr. Jim Peterson (Willowdale): Mr. Speaker, once again we see how our present trade deal is so inadequate that it leaves Canada wide open to ongoing U.S. trade harassment and to deindustrialization here in Canada.

With a new trade deal imminent, Canadians have a right to know exactly where this government stands. So I put it to the minister. Will he insist on not only greater North American content rules but also Canadian content rules that will ensure Canadian auto workers their fair share of North American jobs?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, on the one hand my hon. friend says that he is anxious to see a satisfactory resolution of the rules of origin question as it relates to Honda, and I am sure the CAMI operation as well.

On the other hand he is saying that we want to have higher rules of origin which would damage those very companies if they were made too high.

The member is shaking his head. If my hon. friend understood the implications of the rules of origin, he would know that if we set the rules of origin in Canada too high they would disqualify some of the transplant operations at this point of their existence.

Possibly down the road that might be appropriate, but this is one of the balances we must take into account in the negotiation of this agreement.

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SOFTWOOD LUMBER INDUSTRY

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Prime Minister. I want to offer him a chance to clarify the confusion about the purpose and intent of his trip last week to New York.

The Prime Minister went to New York supposedly to give major U.S. and Canadian newspapers Canada's view about the trade harassment being visited upon this country by the United States government.

While there the Prime Minister referred to the trade harassment in question in terms of responsibility, and I am quoting the Prime Minister: "It is not President Bush; it is not his cabinet". The Prime Minister absolved the U.S. President and absolved the U.S. cabinet of any responsibility.

Is the Prime Minister aware, as first minister of this country, that indeed the softwood lumber action was taken against Canada by the U.S. commerce department whose secretary is a member of George Bush's cabinet?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend has of course the facts quite wrong.

Mr. Axworthy (Winnipeg South Centre): Good point.

Mr. Mulroney: Well, he does, Lloyd. He has them completely wrong. The trade harassment issue itself, which we all deplore and which I have denounced very vigorously on behalf of all Canadians, was not initiated by the President of the United States.

Mr. Tobin: Nobody said that.

Mr. Mulroney: That is what I said, precisely. If my hon. friend agrees with me that it was not initiated by the President of the United States—

Mr. Tobin: The secretary of commerce.

Mr. Mulroney: If it was not initiated by the President of the United States then he is agreeing with the premise of my own statement.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the last time the Prime Minister went to New York it was rumoured he was on a job hunting expedition. This week it looked like he got one as spokesman for the U.S. President, not spokesman for the workers of Canada.

Some hon. members: Hear, hear.

Mr. Tobin: I want to ask the Prime Minister again. What is at issue here is not what the Prime Minister said. We know what he said. He absolved the U.S. President and he absolved the U.S. cabinet, all members of the cabinet, of any responsibility for U.S. trade harassment of Canada when in fact it was the secretary responsible for the department of commerce who must have authorized the trade action of the department of commerce against Canada on softwood lumber.

A fact is a fact is a fact, and the Prime Minister saying it is not a fact will not change it.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I did not hear all of that last question. My hon. friend has a tendency to diminish a very valid point with unworthy prefatory comments most times. Because I know him well, I know he will regret it and want to withdraw as soon as he leaves the House.

We are on all fours with my hon. friend. We have taken a vigorous stand on behalf of Canadian producers. The only difference that exists between us is that we are in favour of a free trade agreement which now gives us access to a dispute settlement mechanism, whereas my hon. friend is a member of a political party that will—

An hon. member: Tear it up.

Mr. Mulroney: Tear it up, tear up the free trade agreement?

An hon. member: Well, they might renegotiate it.

Mr. Mulroney: Renegotiate it? Change it?

Tell us about that, Brian, when you stand up the next time.

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CANADIAN NATIONAL RAILWAYS

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Transport.

I would like the Minister of Transport to explain to this House, and more important to Canadians, how it is that the only way jobs can be created in Canada is by having CN award a contract to a company in Erie, Pennsylvania.

• (1450)

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I will try it another time. I mentioned a few minutes ago that the contract CN has just awarded to GE is going to produce 518 person-years of work in Canada for Canadian workers, whereas the contract that could have been awarded to GM at a higher cost would have produced 257 person-year jobs in Canada.

Mr. Iain Angus (Thunder Bay—Atikokan): I have a supplementary question, Mr. Speaker.

If Ontario Hydro can negotiate with two coal companies, two railroads, two terminal operators and at least one, if not more, shipping companies to ensure that Canadian western coal is purchased for use by Ontario Hydro, surely this government through its Crown corporation could have found a way to ensure that both GE and GM received benefits from this contract.

Explain that to the people of Canada.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, again, as I mentioned before, CN went into an open bidding process and there were two bidders. GM was higher; GE was lower. They awarded the contract to GE, but they even improved the contract with GE by updating this arrangement which is going to produce work for suppliers in Winnipeg, Calgary, Hamilton, Welland, Stoney Creek, London, Kingston, Prescott, Belleville, Fort Erie, Sherbrooke, Tracy, Montreal, Saint-Laurent, and Pointe-Claire.

UKRAINE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the right hon. Prime Minister.

The whole world breathed a sigh of relief with the demise of the cold war and the collapse of the Soviet Union. Now it has been replaced with instability, confusion, new armies, and the possibility of new nuclear threats.

Has Canada taken direct action? Are we playing a role to help stabilize this evolving situation?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for probably the first substantial question of today.

In point of fact, President Kravchuk of Ukraine called me earlier today to—

Mr. Speaker: It is sort of a case of I thought you would never ask. Perhaps the right hon. Prime Minister could complete his answer.

Mr. Mulroney: Well, I was not here when he called the first time. I said: "You can talk to Lloyd", but he said: "No, I will wait".

He raised, on behalf of the Government of Ukraine, some very serious matters which have concerned the House, ranging from the question of destruction of nuclear missiles on Ukrainian territory to the question of Canadian assistance, for which he has expressed gratitude to all members of the House of Commons, but also the ongoing future of the Commonwealth itself.

Mr. Tobin: He will not let us use the Black Sea fleet to protect the 200-mile limit.

Mr. Mulroney: He has expressed concerns about the manner in which the negotiations have been ongoing. He has indicated the Government of Ukraine is ready to make compromises in the interest of keeping the Commonwealth together, but he feels very strongly that the national interests of Ukraine must be respected as well.

He is looking forward to their next meeting in May, but I suppose in a fundamental way he wanted to convey to all members of the House and to the Canadian people the gratitude of his government for the very significant assistance that Canada has provided thus far to all initiatives in the former Soviet Union.

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FOREIGN SERVICE OFFICERS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Minister for International Trade, in the absence of the Secretary of State for External Affairs.

Shortly after the budget was tabled the president of the Professional Association of Foreign Service Officers that represents career foreign service officers sent a strong letter to their minister condemning the decision to transfer over 300 officers from the social affairs stream to the immigration department.

In view of the sense of anger and betrayal that this action has met within the department and particularly in view of the fact that over a third of these employees are women, by far the largest proportion, I want to ask the minister: Will he now agree to reconsider this decision to ensure that External is fully able to meet all the challenges of foreign affairs in the 1990s and ensure that these people remain within the External Affairs department?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my colleague, the Secretary of State for External Affairs, is out of the House on government business as my friend well knows.

We have reviewed the requirements of the department looking out into the balance of this decade along the lines that my hon. friend has referred to. We believe that the obligations of the department can be met, but I will raise the particular point that my friend has raised with my colleague when she returns.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have a supplementary question. The other major concern aside from the substance was the way in which this decision was announced.

According to the president, and I quote, "unveiling the announcement in the dead of night by posting press releases in elevators is to display an unheard of level of disrespect to the department's employees".

In view of the fact that this decision is supposed to take effect next week on April 1, will the minister at the very least agree to delay the implementation of this decision until there has been an opportunity for full consultation with all of the employees affected by this and the other transfers within the Department of External Affairs as well?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my answer to that question would be the same as the first one.

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IMMIGRATION

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the minister for immigration.

In recent weeks there have been increasing revelations of negligence and misbehaviour in the minister's department: board members asleep at hearings, others ridiculing applicants, inhumane deportations, and now we hear that the minister will make extensive changes to the law.

Will the minister in fact soon produce amendments to the act? Will these amendments correct the abuses that I have referred to, or will they simply incorporate the more restrictive recommendations made recently by the Law Reform Commission?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if any amendments are made to the Immigration Act they will be made for the only purpose of trying to improve it.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the minister should be making changes that will clean up his department and give it a fair and human face, instead of making as he did last week announcements to change the immigration regulations which will reduce the number of dependent children who can be sponsored under the family class.

What is the justification for these restrictions on the family class? How many dependants will be cut off as a result of these changes?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member should have read the regulations. They were pre-published months ago. He had the occasion.

Mr. Allmand: I did.

Mr. Valcourt: He said he did. I did not receive any view from the Liberal Party as to the definition of the family. A lot of Canadians did. When he says in this House that we will reduce the number of dependent children, that is false.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, my question is for the same minister.

Increasing numbers of refugee claimants from eastern Europe, from the Hispanic countries and from many other countries are being deported.

They probably would have been considered refugees if their cases had been heard promptly. Now they are being deported because the situation in their homelands has changed while they are stuck in the backlog.

These are people who have established themselves in Canada with jobs, children being born here and in some cases by owning homes.

What definition of humanitarian and compassionate grounds does the minister use to justify telling these people to sever their new roots in Canada and go back to a life of uncertainty in their homelands?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member raises a question as to what is the definition of human and compassionate considerations.

I think that Canada stands out in the world as a country affording or giving protection to those who need it. The hon. member suggests, however, an interesting point and one which I am ready to consider.

Maybe we should define in the act or by regulations what we mean by compassionate and human considerations. If the hon. member or members of this House have suggestions so that we can improve the transparency of the Immigration Act, I am all for it.

• (1500)

Mr. Jesse Flis (Parkdale—High Park): My supplementary is for the same minister. The system is so bad that I have here over 5,000 signatures collected in one afternoon on petitions asking the minister to review and change the policies.

People are committing suicide. They are leaving Canada because this minister does not have any compassion for them. They are being sent back to Lebanon, an

unstable war-torn corner of the world. A 10-year old Canadian born girl was sent back to Bangladesh with her parents, a country which she has never seen.

I ask the minister what qualifications must the judges have in order to hear refugee cases, and what guidelines are used to define humanitarian and compassionate grounds which he did not answer in my original question?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, in all fairness to Canada and to the Canadian people, whenever someone raises the question of our immigration system in the House and depicts it as being about sending kids, for instance a 10-year-old, out of Canada, the reality is that Canadians are not told that there are hundreds of thousands of immigrants received in Canada according to the rule of law and the regulations.

Whenever there is someone here illegally, that is he has not passed through the legal process and he has been denied Canada's protection, that person is not in the same bag as the person who does qualify according to our law.

If members of the Liberal Party are for the opening up of immigration to absolutely everyone in the world without consideration let them say so.

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FISHERIES

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans.

All users of the Atlantic salmon resource have applauded the conservation measures which the minister has introduced recently in closing the commercial fishery in Atlantic Canada. In order that that investment not be wasted it is very important that a new conservation ethic, a new conservation vision, be established within the province of New Brunswick and other river systems in the Atlantic region.

For several months now recommendations have been made to the minister's department for him to convene such a conference to define that new vision and I would like to ask when that conference will be held.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, senior officials from the Department of Fisheries and Oceans have been consulting extensively with all the user groups in New Brunswick and throughout the maritime provinces on these issues.

We are exploring all possible solutions to the existing concerns about conservation and user conflicts in connection with the salmon resource and the magnificent salmon rivers in New Brunswick.

The hon. member who has asked the question is a tireless advocate of the proper system of conservation in the fishery of New Brunswick and Atlantic Canada and a tower of strength to us in connection with achieving these objectives.

We will set a date for such a conference when we are satisfied that real progress can come as a result of a meeting of all of these user groups.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, regarding the agenda for that conference will the minister recommend or instruct that gill-netting be terminated?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, those who are interested in conservation certainly do not wish to see the continued use of gill-nets in fishing the salmon rivers of New Brunswick.

At the same time, as the hon. member knows we had to consider the situation with reference to the Sparrow decision on aboriginal rights to fish for food, social and ceremonial purposes. We are certainly hoping that all groups involved in the fishery, including the aboriginal groups will agree to use some better method of fishing from the point of view of conservation in the rivers of New Brunswick.

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POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Lorne Nystrom (Yorkton—Melville): My point of order, Mr. Speaker, arises from the question I attempted to ask the Prime Minister earlier today.

I simply want to state on reviewing my question that it was in order and I think out of fairness to both sides of the House you might find time to review the question.

Maybe people on the other side would want time to review the question as well.

With your permission I will pursue it at a later date.

Mr. Speaker: I certainly thought at the time that the question was probably out of order. I certainly will look at it and I will hear argument on it. Not argument to change the decision; we cannot do that. But if the hon. member wishes to pursue it, I of course would hear him.

I thank him for the suggestion to defer it to a convenient moment.

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BUSINESS OF THE HOUSE

Mr. Andre: Mr. Speaker, I would like to designate tomorrow, March 24, an allotted day.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing 36(8), I have the honour to table, in both official languages, the government's response to 18 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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POST-SECONDARY EDUCATION EXPENDITURES

TABLING OF FUNDING STATISTICS

Hon. William C. Winegard (Minister for Science): Mr. Speaker, as promised in February, I am pleased today to table, in both official languages, the funding statistics to which I referred in debate.

In this regard, I would like to make a correction to my February statement where I indicated that the figures were provided by the Association of Colleges and Universities or by the Canadian Association of University Teachers. In fact, they were provided by the National Consortium of Scientific and Educational Societies and Statistics Canada.

PETITIONS

UNEMPLOYMENT INSURANCE

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have the honour and privilege to present a petition signed by a number of residents in the Thunder Bay area.

The petitioners raise a concern about a previous promise by the government to freeze unemployment insurance premium rates for three years and that recent cumulative increases in the UI premiums are unfair and insensitive to small business during hard economic times and that further job losses due to business closures would further impair the chances for a full economic recovery in Canada.

Therefore, your petitioners call upon Parliament to freeze unemployment insurance premium rates at the 1991 level for one year.

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour to table a petition signed by hundreds of residents of Hamilton, Ontario, Montreal and a number of cities in British Columbia. It notes that in February of 1985 the House of Commons asked the justice committee to prepare a report on equality rights in Canada and that the committee in October submitted a report unanimously recommending that the Canadian Human Rights Act be amended to prohibit discrimination based on sexual orientation in all areas of federal jurisdiction.

It also notes that many years after that promise was made it has yet to be kept and that the Canadian Human Rights Commission has consistently called for this amendment to the Human Rights Act. Therefore the petition urges Parliament to ask that the government immediately bring forward an amendment to add sexual orientation to the Canadian Human Rights Act as a prohibited ground of discrimination.

PROCEEDS FROM CRIME

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to table a petition for the government and the House of Commons signed by hundreds of petitioners from my riding of York West.

They ask and request that the Government of Canada amend the Narcotics Control Act so that the assets seized from drug busts, particularly in metropolitan Toronto, rather than all those assets being put into the general Consolidated Revenue Fund back in Ottawa, be

shared equally and fairly with police forces and local organizations so that they, who are on the leading edge in combating the drug abuse cancer that is spreading across Canada, will be able to fight this and fight it successfully.

• (1510)

GRAIN EXPORTS

Ms. Margaret Mitchell (Vancouver East): I have the honour to present two petitions today.

The first petition is from a number of people who are very concerned about exports through Canadian ports and particularly through the port of Vancouver.

They ask that whereas Canadian grain has traditionally been exported through Canadian ports and the shipping of grain exports through Canadian ports provides the most direct and least costly route for grain producers, and the shipping of grain through Canadian ports also provides employment to Canadian workers, and whereas the Canadian Wheat Board has arranged for Canadian grain to be exported through the port of Seattle, therefore the petitioners ask that Parliament instruct the Canadian Wheat Board that all Canadian grain exports must proceed through Canadian ports. I certainly fully support that.

GOODS AND SERVICES TAX

Ms. Margaret Mitchell (Vancouver East): The second petition has to do with the goods and services tax which is applied to feminine sanitary products such as tampons and pads.

Since these are necessities for women and the government has decided that the goods and services tax should not apply to certain foods because they are necessities, therefore the many people who have signed this from my riding of Vancouver East ask that Parliament consider removing the GST from women's sanitary products.

CANADA POST

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my duty and in fact it is my pleasure to stand here today under Standing Order 36 representing the people of Penticton, British Columbia. These people in Penticton have been working hard since January 6 when they found out that Canada Post was replacing their post office with private postal outlets.

They are petitioning Parliament against the closure of the post office, trying to save 12 sorting jobs within that community and to get an answer from Canada Post.

They are asking Parliament to stop the closure and the privatization of postal services in general and to ensure that the citizens and taxpayers of Penticton, British Columbia, have a full service post office which is directly run by Canada Post corporation.

JUSTICE

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, I have a petition from my constituency in which the petitioners are asking that an obvious weakness in our legal system be addressed by this government. This will be added to thousands of others that have come in.

Their concern is one that resulted in the murder of Nina de Villiers on August 9, 1991. There are many vulnerable people out there who have little protection under the current system. These petitioners are asking that that problem in our legal system be addressed.

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QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

Mr. Boudria: Mr. Speaker, I am forced again to rise on a point of order, as a result of the government's inaction to respond to Question No. 110 which has been on the Order Paper since last September.

The government has only 45 days to answer. It is not a complicated question at all. There is no legitimate excuse.

The question merely asks for the expense account of each deputy minister in the government. There are only about three dozen such people. Surely that is not hard to determine.

I would ask that the Chair address this issue. After six months I can no longer put questions on the Order Paper because my previous questions are not being answered. And this goes on and on and on.

The government does not have an excuse because the answer might be embarrassing. That is not provided for in the rules. My constituents want to know the answers to questions, and I am availing myself of the privileges of this House to do so.

Mr. Cooper: Mr. Speaker, I think the hon. member referred to Question No. 110, which is one that was answered I think last week.

Perhaps the question he is referring to is No. 111. My understanding is that the information has been largely collected now. He should be able to expect an answer fairly soon.

I would like to raise this point. The hon. member and others regularly ask questions that have to be circulated to all departments and often all departments and agencies. It is physically impossible for the government to answer those questions in 45 days.

I want to express very clearly and very strongly with the Chair that that cannot be done if they continue to insist on 45-day answers. Then we will be in no position but to give an answer that is incomplete.

The Acting Speaker (Mr. DeBlois): Shall all questions stand?

Some hon. members: Agreed.

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MOTION TO ADJOURN UNDER S. O. 52

TRUDEAU GOVERNMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, I rise under the provisions of Standing Order 52 to seek the adjournment of the House to debate an urgent issue of national importance. I would just like to take a moment to give my reasons.

The revelations of the last few days regarding Liberal cabinet authorization to violate the laws of Canada constitutes an urgent issue of national importance. Documents released under federal access law confirm that the Trudeau cabinet ordered the RCM Police to obtain Parti Quebecois documents, including membership lists, clearly contrary to the laws of Canada as passed by this Parliament.

The protection of democratic institutions is the ultimate responsibility of every member elected to this place. If we were to allow these revelations of cabinet endorsed burglary and theft to go unchallenged, there would be good reasons for Canadians to lose faith in the rule of law and to question our collective commitment to open, lawful government.

Yesterday the former Prime Minister, Mr. Pierre Trudeau stated only: "The record is there". Both the present and past Liberal leaders, the member for Vancouver Quadra and the present leader were in the cabinet when the decision was made. Surely during a Standing Order 52 debate, Canadians can learn from them why the cabinet chose to order the RCM Police to break the law and if there were other similar activities.

Unless there is a full debate on these matters, the ability of Parliament to craft laws and of this or any future government to administer them will be injured.

The released documents also implicate persons such as Gordon Robertson, Secretary to the Privy Council and cut to the quick of the reliability of the conclusions reached by the McDonald royal commission into the RCM Police dirty tricks operations of the early 1970s.

Democratic institutions are fragile. It is surely urgent that this matter be fully aired today because, as we learned, Question Period and some other options ordinarily available for the airing of an issue such as this may not be the most appropriate. The options under Standing Order 52 seem to me to be the most appropriate to allow Canadians to know what truly took place.

SPEAKER'S RULING

Mr. Speaker: I thank the hon. member and I thank him for giving me notice of this in advance, which gave me a chance to consider it.

First of all, and I say this to all hon. members and especially to the public that may be listening or watching, this is a matter which was of very grave concern to this country for a long period of time. There are members in the House, myself included, who were here when the matter was a subject of debate and then later the matter of the McDonald commission to which the hon. member has referred. However, I still have to apply the rules and while the matter may be important, and I accept the hon. member's concern which I am sure will be shared by others, I do not find that it would be appropriate, at least at the moment, to order an emergency debate.

GOVERNMENT ORDERS

[*Translation*]

BORROWING AUTHORITY ACT, 1992-93

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-61, that an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, be read the third time and passed.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, as I was saying before Question Period, when the Minister of Finance tells us that he reduces the tax burden of the Canadian people, it is a delusion. The fact of the matter is that, in 1986, 19.9 per cent of each dollar earned went to taxes, while today 22.3 per cent of it goes to taxes, and that is excluding the GST. Just imagine how much higher this figure would be if we were to include the GST!

It is no wonder that the Canadian people are suspicious when the Minister of Finance comes and tells us that he intends to go in the same direction as his predecessor, because we know what the policies of the former Minister of Finance were that have plunged us in this economic slump. Repeated tax hikes, the GST, the US free trade deal, a ridiculous monetary policy and cuts in transfer payments to the provinces are responsible for the slump this country is in today.

• (1520)

As I said at the beginning of my speech, Mr. Speaker, a survey shows—and I will repeat it—that only 23 per cent of Canadians believe that this budget will help the Canadian economy.

How many times have you heard people say that this government's monetary policy is ridiculous? We, in the opposition, are not alone in saying so. Practically all national organizations in Canada and in Quebec, including the Conseil du Patronat, the Manufacturers' Association and the Chamber of Commerce, every one agrees that a high dollar does not help. And, of course, high interest rates definitely did not help the Canadian pulp and paper industry.

We have repeatedly asked this government for many months now to change this monetary policy which is at the root of this recession.In excess of 65 per cent of our exports are shipped across the border to the United States. When our dollar is high, we are not as competitive with the United States, we export less and, as a result, we have fewer jobs and our workers work less.

The government's negligence in terms of its monetary policy is destroying the pulp and paper industry, at a time when the industry is already weakened by the recession and the FTA with the United States.

Canadians want no part of these disastrous economic policies. The government proposes to keep increases in CMHC spending on social housing down to an annual average of 3 per cent. The government hopes to save $622 million during the next five years, and here again, the middle class will be the one to suffer.

As far as housing is concerned—I raised this matter during Oral Question Period a few weeks ago—we are faced with a dramatic situation in Montreal. People need low cost housing, and now this area is going to be cut back. What are we going to tell those people? There are endless waiting lists. Every day, every time we are in our riding offices, we meet people who are looking for low-cost housing, and the Minister of Finance turns around and provides nothing of the kind. We are not the only ones to say this. According to the head of the *Fédération des coopératives d'habitation de l'Île de Montréal*, Mrs. Monique Blanchet, the federal government's withdrawal from this sector—and I am referring to co-operative housing—will mean that 500 new co-op units will not be built, despite 10,000 applications. Because the government withdrew from co-operative housing, 500 units can't be built this year, despite the fact that 10,000 people are on the waiting list. The situation is serious, and the ministers and the Conservative government have not done a thing. In fact they cut the few resources left in this area.

Low income groups are not the only ones to be hit by the government. Students have also suffered as a result of the Conservative budget. The government says students are an abiding concern, but you would hardly notice that from this budget. Ironically I received a letter

from a young student in my riding who deplored the fact that we invest very little in our educational institutions, colleges and universities. If we want to be competitive, that is where we should invest.

Earlier during Question Period, I heard the Minister of Transport bragging that CN had awarded a contract in the United States, when it could have avoided the political fallout by awarding a contract that would have provided jobs in Canada. Meanwhile the government is slashing funding for students, in other words slashing our future. Young people are the future of this country.

If we look at all the countries in the world that invest significantly in their institutions and educational system like Germany, Japan and so many other countries, we see that they are competitive and can compete in this increasingly global environment. But we are doing the opposite.

The government must change direction. If we continue, I have the impression that in the time the government has left, because I know it does not have much time. According to custom, there should be an election this fall, but according to the Constitution, they could continue to govern until the fall of 1993. But if we continue with these policies until the fall of 1993, I think that it will be too late and it will take many years to restore the confidence of our consumers, young people and investors and to continue to give hope and keep this country great.

As Opposition Whip, I do not want to give the impression that I am criticizing only the government. When I see newspaper articles like the one of Wednesday, January 15 in *La Presse*, which said that Montreal is getting steadily poorer, I find that incredible. It says that manufacturing employment in Montreal declined 28 per cent in two years, between the summer of 1989 and the summer of 1991. The Conservative government was in power then. Of the 66,000 jobs lost, three-quarters disappeared in the first year, even before the recession really hit.

Another article in *La Presse* said that one out of two adults in Montreal does not work. That is serious: one in two adults. How can we go on? In this great beautiful city of Montreal, which was the pride of all Canadians and all Quebecers, how come one adult in two does not work? That is totally unacceptable.

Another article in *La Presse* of March 7, 1992 said that thousands of full-time jobs are disappearing. If full-time jobs are disappearing by the thousand, how will we be able to revive our economy? How will we be able to put people back to work? It is not the Official Opposition but rather journalists and economists writing in national newspapers who are saying that.

On the editorial page of *La Presse* for March 7, 1992, Alain Dubuc, who is a well-known journalist and economist, headlined his article "Economy Assassinated". What a title: "Economy Assassinated". That is where we are at after just seven and a half years with this government. As I said earlier, this government should either change the economic policy that has resulted in this disastrous situation or it should call an election to let the people of Canada pick a government that would give them new hope.

I see that I have hardly a minute left. In closing, then, I would like to say that this government economic policy is truly appalling. As we go down a commercial street in our ridings, every weekend, we can see the for sale or for rent signs in store windows. The showcases are empty. The office towers are empty. It is really depressing. If it is depressing for us who are there only on the weekend, imagine how depressing it must be for the people who live there.

I hope that the Minister of Finance, the Prime Minister and the rest of cabinet, as well as all other Conservative members, will insist at their next caucus meeting that these disastrous economic policies be changed.

The Acting Speaker (Mr. DeBlois): We will now have a 10-minute maximum question and comment period. The hon. member for Broadview—Greenwood.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to say to my colleague from Montreal that the condition he describes in his community is exactly the same in my community in downtown Toronto.

People are in deep economic pain in this country. There is a very high level of insecurity, and people in all

regions of this country are looking to this Chamber for some direction, for some hope.

• (1530)

The government has said on more than one occasion today, and on previous occasions, that when we stand up to criticize the direction its policy is taking us in this country, it always says that we on this side do not have ideas.

We have put ideas forward to the government repeatedly. I want to repeat to the government that it did an all-party report. It was done in 1982 and it was called *Employment Opportunities for the Eighties*. It listed some 180 different ways in which we could put Canadians back to work.

Repeatedly in this report the government talks about the fact that it is important that we retrain our work force. It also talks about the fact that entrepreneurship in this country is the greatest hope for creating new jobs. We have 1.7 million entrepreneurs in this country.

I believe that entrepreneurship is our greatest hope for revitalizing and getting people off the unemployment rolls, off the welfare rolls and back into the work force, and dignity can be restored and our economy can come back.

Does my colleague from Montreal not share the view that entrepreneurship and retraining are things to which this government has really not given the proper respect or the proper support in terms of using them as catalysts to get people back to work?

Mr. Gagliano: Mr. Speaker, I want to thank my hon. colleague for giving me the opportunity to continue to say what I was saying.

I agree with him 100 per cent that this government, in seven and a half years, has been paying lip service to entrepreneurship, to small business.

Two, three or four months before the last election, this government came with all the fanfare and announced a big program: the institute of entrepreneurship. Three and a half years after the election, where is the institute? Nobody knows where it is and nobody knows what it is doing.

My hon. colleague said that there are 1.7 million enterprises in this country. If we would encourage them to create a job each, we would have no unemployment in this country. That is the policy we need.

In the budget we saw the government trying to increase the ceiling of small business loans from $100,000 to $150,000 or $200,000. When I was small business critic I said the economy was good and businesses could use the high ceiling. The government said no.

Now there is no economic growth. Increasing the ceiling to $200,000 will not work because the bank will not give them a penny. What is the use? The government wants to look good.

The government looks good when it increases the ceiling from $100,000 to $200,000 so that the businesses can create business. There is no business.

I said in my closing remarks that when you walk on a commercial street, it is very discouraging. In every store, the windows are empty. There are only two types of signs: "For Rent" or "For Sale". There is no activity. What is the use of increasing the ceiling of the small business loans when there is no small business? There is no need to borrow.

Even if somebody had some ideas, the banks need so much collateral that they will not give a penny. I agree with my colleague that this government only gives lip service to small and medium sized business. When it comes to its friends, big business, then it is open. Today we saw an example during Question Period.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am happy to be able to participate in the debate this afternoon on the borrowing authority.

The borrowing authority is the central, paramount tool that the Government of Canada utilizes in terms of its government expenditures. The borrowing authority is central to the budgetary statements of the Government of Canada, and it is a central issue in terms of the confidence that the government places with regard to running the affairs of our country.

We have seen, over the last number of months, a number of initiatives which have been funded by the Government of Canada which have drawn some serious concerns from Canadians. Some have been in relation to the funding of the prosperity initiative which, by itself, one could argue intellectually is a wonderful concept and we should pursue it. As we have seen on the floor of the House of Commons, with interchanges with government representatives as well as members of the opposition, the government really does not know where it is going on that particular issue, but it is prepared to spend a fair

chunk of money in order to consult with different sectors of the Canadian economy.

That is not to suggest that different sectors of the economy ought not to be consulted with, but this government has been in power for eight years, not six months, not nine months, not twelve months. It has been in power for close to eight years. To embark upon this particular initiative at a fairly substantial cost to the taxpayers of this country is something one has to question in terms of the seriousness and the genuineness of this government in view of the fact that we are probably going to be facing a federal election within the next twelve months.

Some have said that perhaps these consultations are a prelude to the federal election which is to come in order for the government to consult with its friends in the private sector in order to ascertain its ideas in trying to put together a platform for the purposes of the next election.

I certainly would not want to argue that. I would hope that the government and ministers opposite would be much more responsible than only looking at a very short-term political high jinks, if you will, of the Canadian people. Some members opposite would certainly agree with my intervention on that.

The facts were drawn out in Question Period today. The Government of Canada is providing a university in the United States with over $18 million to do a study of the social services in the city of Toronto. All it would have to do is contact and have some discussions with the hon. member for Broadview—Greenwood, who would be able to give example after example of some of the difficulties plaguing that particular community.

The cost is $18 million. I am sure that if the government contacted my colleague from Broadview—Greenwood, he would be much more conservative in terms of what he would request from the Government of Canada to pay him in order to provide for the necessary answers so that the government could move forward.

Advertising costs of the government are way out of whack. We have seen that the Minister of Finance has tried to take some steps to curb the escalation of advertising costs of the government.

One of the interesting things is that when this issue is raised, ministers of the Crown will stand in their place and say they thought the opposition wanted the government to provide to the Canadian people information about the various programs it has in place. That is very true, and there are various ways in which the government of Canada can do that without necessarily having to retain the services of friends in high places in order to put together these packages of information to try to sell to the Canadian people.

The argument can be made that if the program in itself is so good, Canadians will recognize the merits of that program and will respond accordingly to the focus of that program.

• (1540)

The government has also announced in its budget something which is dear to my constituents and something that I find somewhat alarming in view of the stage we are at in Canadian economy. It is intending, as it has announced in the budget, to privatize the Cape Breton Development Corporation.

For those in the Chamber and those who may be viewing our proceedings here this afternoon, the Cape Breton Development Corporation was born in 1967–68. The premier of the day, the former leader of the Conservative Party, the Hon. Robert Stanfield, is a great Nova Scotian. He has served this country with great distinction on the floor of the House of Commons. He was the premier of our province and he and a young minister of the Crown at that time, Allan MacEachen, came together and discussed what could be done because numerous coal mines in Cape Breton were being done away with by the private sector; they walked away. They took the key out and just said: "To hell with the community".

Federally we conceived and implemented what is known as the Cape Breton Development Corporation to try to assist the diversification of the local economy and also, in later years, to try to provide alternatives for the uses of coal in Cape Breton. If one were to look at the bottom line of this Crown corporation, one could not be as positive as one would want to be.

One would have to say that without the federal Crown corporation, as so moved and sponsored by the hon. gentleman in the Upper House, Allan J. MacEachen, we in the island of Cape Breton would be more in tune and more inclined to be referred to as a Third World country.

One of the rationales for the conception and subsequent implementation of Devco, as we refer to it in Cape Breton, was that the Nova Scotia Power Corporation would use the coal which is produced from Devco to generate power in the province of Nova Scotia.

The minister responsible for Devco is in the House. The policy of Robert Stanfield, as premier of the province of Nova Scotia, was affirmed by his successor, the late G. I. Smith from Truro, Nova Scotia. It was adopted, promoted and enhanced substantially by a Liberal premier who succeeded him, Gerald Regan. It was once again reaffirmed by his success, Premier John Buchanan, who also sits in the Upper House.

From time to time, I have said things about that particular premier which may not draw a consensus in this House, but I would have to say that he affirmed the consistent policy of the provincial government as it relates to the utilization of coal. The successor to the past premier of the province of Nova Scotia, the hon. Donald Cameron, has not affirmed that policy. He has walked away from that policy. He has cut his hands adrift from the Cape Breton coal industry. He has denied us the opportunity to sell a product which was clearly the understanding or the genesis behind the concept and the implementation of the Cape Breton Development Corporation.

You cannot blame the federal minister. You cannot blame the Prime Minister for that. I blame one individual, and that is Donald Cameron, the premier of the province of Nova Scotia.

I say to the federal minister and to the Prime Minister, do not get sucked into the Cameron agenda, which does not put in place its concerns for the real lives and real aspirations of people. To Canadians who happen to live in that region of our country, do not get sucked into buying his request to privatize the Cape Breton Development Corporation.

This was done at the federal level to try to help out a weak sister or weak brother in the province of Nova Scotia in the person of the premier of the province of Nova Scotia.

To the viewing audience, you may ask where the hon. member is going. Let me be very clear.

The premier of this province wants the Cape Breton Development Corporation to be privatized, and the reason is that he is involved to his ears in the sponsoring of the Westray Coal Mine in Pictou County, which is in grave, grave economic difficulties at the present time. The only way that he can justify throwing provincial moneys and getting the assistance of the federal government is to now ask the federal government to privatize Devco so that it will be on the same level playing field. The federal government, unfortunately, has announced its intentions to pursue that.

It is wrong for the government to co-operate, to be co-opted, to be coerced into taking this kind of action with regard to the coal industry in industrial Cape Breton.

Another aspect of the federal budget has been the winding over, if you will, of the Enterprise Cape Breton Corporation into the Atlantic Canada Opportunities Agency. That is wrong. It is bad public policy. It will not service the needs of those individuals who live in eastern Nova Scotia. In point of fact, it will add further uncertainty with regard the privatization of the Cape Breton Development Corporation to an already weakened economy in that part of our country.

It is wrong for several reasons. Regarding Devco, the Prime Minister, in his own words in Cape Breton, made reference that he would not privatize the Cape Breton Development Corporation. Ministers of the Crown indicated that as well. The government has not clearly defined what it means when it says privatization. We do not know if it has some friendly individual who wishes to come in and pick up all the pieces, bleed it for a few years, and then leave the coal mines, as we have seen in the past.

Enterprise Cape Breton Corporation was to assume the role of the industrial development division of the Cape Breton Development Corporation, which was a part of the ACOA legislation placed on the floor of the House of Commons.

It has once again broken its commitment to the people of my district, as well as to the three federal constituencies in Cape Breton.

The minister is going to intervene and say some things and we will have an opportunity to debate. I want us to be clear. I did not support the passage of ACOA because I did not believe the government in 1986–87. It said that the Enterprise Cape Breton Corporation would have longevity. I have now been proven correct. It has not had longevity. The government has dubbed us. It has fooled us. They manipulated. They distorted the facts to the people of Cape Breton when they said Enterprise Cape Breton Corporation will take over the role of the industrial development division of Devco.

• (1550)

We in this party opposed that because the special relationship that we had with the federal government and the people of Cape Breton would be done away with. It has now happened as a result of the budget of the Minister of Finance.

There were individuals in this House who supported the government in that particular initiative. They thought it was going to be wonderful. It would be the panacea in terms of rectifying the economic ills in Atlantic Canada.

My colleagues to the left, the New Democratic Party, were front line and centre in supporting ACOA but knowing full well and with the full knowledge that Enterprise Cape Breton Corporation would not be in existence for a long period of time. In point of fact, it would be done away with sooner as opposed to later.

They knew, so I put both of them in the same bed together. The Tories and the NDP are on the same side when it comes to economic initiatives in industrial Cape Breton. On this one the NDP preach one thing in Halifax, one thing in Cape Breton, and another thing here in Ottawa. They are going to be caught on their own words as we evidenced in this debate on a previous occasion as related to ACOA and Enterprise Cape Breton Corporation.

I would hope the minister could stand in his place today and say: "We are not going to privatize the Cape Breton Development Corporation at this time. We will pull back because it is nonsense to proceed with it at this point in time when we have a weakened economy".

The minister laughs. When you have a weakened economy in Cape Breton, can he laugh about that? Can he laugh about that?

An hon. member: Sure he can.

Mr. Dingwall: We have a weakened economy. The corporation has been under substantial downsizing. Both management, as I am sure the minister will attest, and labour are attempting to the best of their abilities to try to make the corporation more viable each and every day.

I do not think that privatization at this time or giving the mandate to pursue that is going to assist the workers, the management and the community in arriving at a solution which is acceptable to all those who are stakeholders with regard to that corporation. I would hope that the minister would avail himself of that opportunity and say that on the floor of the House of Commons.

I suspect that this minister probably had nothing to do with putting the privatization agenda in the statement of the Minister of Finance some weeks ago. Perhaps we will get an opportunity to hear the minister's views.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I just rise to ask a few questions of my hon. friend.

I was on duty this afternoon and was delighted to hear that Cape Breton is the topic for debate on this day when we are discussing the budget. I want to raise a few questions for my hon. friend based upon his interventions.

I think it was Voltaire who said that all happy families are alike and all unhappy families are unhappy in their own different ways. When I look at the Liberals in Nova Scotia, I am reminded of how very unhappy they have been and in so many bizarre ways the last few months, and how they have so much difficulty in agreeing with each other. Pictou County Liberals, Cape Breton Liberals, they can barely talk to each other.

I am from Ontario so I am not a great authority on Liberalism in Nova Scotia, but they are a very unhappy party in that province. I can tell from the hon. member's intervention some of the reasons why. There is a sense of rivalry and distrust there which I really think we should now grow beyond.

More important is his point about privatization of Devco. I have been very privileged over the last two and a half years to have this corporation as a responsibility. I have grown very fond of Cape Breton in these years of looking after that file and visiting that beautiful part of Canada.

I am pleased that shortly we will be having some major announcements under the Canadian Aboriginal Economic Development Program that will help Cape Breton in important ways. We are going to have some further important capital expansions under Devco which will interest my hon. friend. We have a Devco, by the way, which is now exporting in impressive quantities. I just signed a corporate plan the other day, sending it to Treasury Board. I note that exports for Devco are way up. In fact they are surpassing their financial pro forma projections for 1991–92.

I have to commend as, indeed, my hon. friend did, labour and management in that corporation for their very fine performance this year.

I remind my hon. friend who complains about the premier of Nova Scotia's opinions about Devco that he is not the owner of Devco. The owner of Devco is the Government of Canada, the Parliament of Canada. We make the decisions on whether it is to be privatized or have its nature changed, not the premier of Nova Scotia.

Let me tell you exactly what the budget said. It listed 45 agencies that could be privatized or could be examined as to modalities for privatization and the Devco Corporation, of course, falls into the latter.

The reason I could not resist a chuckle while the hon. member was speaking was that he adamantly refused to consider, ever, ever, privatization for this Crown corporation. It makes me laugh because the Soviet Union is privatizing everything. East Germany is privatizing everything. Eastern Europe is privatizing everything, but a Cape Breton Liberal would never privatize; never, ever privatize the Devco Corporation.

What makes me laugh is that these people are farther to the left than the eastern European socialists or communist parties, let alone the old Soviet Union itself. For the hon. member to not even allow consideration of privatization is an intellectual ostrich-like pose which I think he must be embarrassed to assume.

Let me ask this question. Could the hon. member ever foresee a time when he would privatize a federal Crown corporation and tell me under what conditions? Could he ever foresee a time when he might privatize Devco?

Mr. Dingwall: Mr. Speaker, I am sorry to have to say this, but the hon. minister started his remarks after I concluded mine and made some references to provincial colleagues in the Nova Scotia House of Assembly. I was quite sincere in my remarks as I attributed them to the former leader of the Conservative Party of Canada, the Hon. Bob Stanfield. I must say that I take strong exception to the political cheap shots of the minister opposite with regard to the scene in the province of Nova Scotia.

An hon. member: He is no Bob Stanfield.

Mr. Dingwall: The minister has not only taken cheap shots, but it shows the total lack of understanding and knowledge the minister and the Government of Canada have with regard to the coal industry, its history and its future.

I will answer the hon. minister very clearly. The minister is so on to himself that he does not even know the dossier. I have said, as early as 1983, 1982, 1985, 1987 and 1988 with regard to the privatization of the Cape Breton Development Corporation—the minister does not understand the dossier—that to privatize Devco, to give it to his friends, the Joe Shannons of the world or whoever it may be, his Sinclair Stevens friends, that kind of individual to come in and be the sole operator of a coal mine, to strip it down to sell off its best parts and make a million dollars or more and then walk away from it in five years, is privatization which I would never support.

• (1600)

I have said both privately and publicly: Check with the unions. I have said to them privately and publicly that we need to have union representatives on the board of directors of this corporation, that employees have to be involved with running this corporation, managing this corporation and in having shares in this corporation.

Do not give me any of this hogwash, as a minister of the Crown, that somehow those of us on this side of the House will never be able to see the day. The minister went on to say: "Devco is owned by the Government of Canada". We know that, but the sole supplier to the Nova Scotia Power Corporation of Devco's product is the provincial government which happens to be run by Don Cameron.

If the minister does not wake up and stand up to this provincial premier to get a better deal for the Cape Breton Development Corporation, the federal government, the employees and the community, we are all going to be worse off as a result of this.

I am happy to hear the minister say on the floor of the House of Commons that he, as the federal minister responsible, dissociates, discounts, wants nothing to do with the former Minister for International Trade, the Hon. Pat Carney, who said not long ago as the minister responsible for international trade: "Devco is not to sell its coal on the international market".

I am glad that the minister has now said that statement on the floor of the House of Commons. It is a few years too late, but nevertheless, the minister has said that.

My final comment is that this minister better understand.

Mr. Hockin: Answer the question.

Mr. Dingwall: I said yes to your question. I said yes to the hon. member's question and that is not an issue on the island or anywhere in the province of Nova Scotia.

The issue is the terms and reference with regard to the privatization. I say to the hon. minister: You are making a major *faux pas*, a major mistake in terms of public policy in this country by asking that Crown corporation at this time in its mandate with a Canadian recession, with a substantial downsizing and the fact that management and labour are working on a daily basis to try to make further reforms to that corporation, to remove itself from all of that hard work, to jump into a dossier with regard to privatization.

The minister cannot understand that the refocusing that will have to take place now for privatization will certainly have a negative impact in the short term, medium term and long term. I am surprised that the minister responsible would be so incompetent on a dossier which is so important to a region of this country.

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I want to say a few words on the borrowing bill before the House today. It is a bill of importance in terms of how the government sets its priorities.

I want to make remarks in a couple of areas. I want to express my concern about what is happening to the country in general. I think Canadians are feeling a general sense that our country is drifting away from us, that we do not have a sense of priorities as a people, as a Parliament since the government across the way is missing in a certain amount of leadership in terms of where it wants to bring this country.

The second part in this is a concern about what is happening to the farm economy in prairie Canada where farmer after farmer is being forced to leave the land through circumstances that are not her fault or his fault in any way whatsoever.

I will start off with the farm economy. In a recent tour of my riding, I had a chance to go to 10 different communities to have public meetings in those communities. I heard from person after person the difficulties they are facing on the farm today in terms of a decent and fair price.

The important thing is that they are not getting a fair price for their products. The important thing to know is that the farmers, relatively speaking, are getting less today than they got in the 1930s for a bushel of grain or for many of the other products that they ship and sell to the marketplace. When that happens, of course, the farmers are going to leave the land. There will be more and more bankruptcies, more and more hardship, leading to social problems for the farmer and the farmer's family. The small towns and villages will gradually lose population, lose businesses, have schools close down, have post offices close down. When that happens, people leave and the thing tends to snowball and more and more. Farm implement dealers leave. Automobile dealerships leave. More and more businesses leave and as a result, we find more and more rural depopulation over the entire prairies.

Very simply put, that is the situation on the prairies today. We are seeing a rapid depopulation of rural Canada, people moving to the towns and the cities, moving in particular outside of rural Saskatchewan, Manitoba and Alberta to the larger cities or off to British Columbia or, indeed, to the province of Ontario.

What is going to happen to the rural society and the rural fabric? What I find is that we have to do two or three things. First of all, the most important thing is that the farmer needs a fair price for the product that the farmer sells in the marketplace. The farmer needs to see some reflection of that price in the cost of producing that bushel of wheat, that pound of beef or that pound of pork he puts on the market. The farmer also needs a return that reflects a decent wage for himself or for herself in producing that farm product. The farmer needs a price that reflects parity between the input costs and a decent wage and what he or she receives from the marketplace. That is not happening today. That is not happening today despite the GRIP and NISA programs, despite the other programs that are in place at both the federal and provincial level.

What we need is a new farm program. We might call it a fair prices program or fair prices bill that will guarantee the farmer a return based on the cost of production.

The second thing that one notices immediately is that our farmers are caught now in a price war, in a trade war, between the Europeans and the Americans. There is a subsidy on grain for export from Europe and the United States to other countries in the world. It is the Canadian farmer who is caught in the middle of this price war and it is the Canadian farmer who is suffering the consequences of that particular war.

Our government has to be more aggressive in putting forward the arguments of our country around the world because it is our farmers and the Australians and the Argentinians and the New Zealanders who are caught in the crossfire of a vicious trade war between the Americans and the Europeans. If it does not stop soon, we are going to see even more farmers leave the land.

The third problem is the problems of the GATT negotiations as it effects the four national supply management marketing boards, the dairy commission, the turkey marketing agency, the chicken marketing board and the Canadian Egg Marketing Agency. Under article XI of the GATT, there is protection for our four national supply management boards.

What is happening now in the GATT negotiations is that the tendency or the momentum is to take away that protection from Canada, from our farmers. If we lose those marketing boards we in effect are going to lose those industries, because without the protection of the supply marketing system the dairy farmer will not survive.

I remember about a month ago when the dairy farmers came to Ottawa. They had a huge demonstration here on Parliament Hill with 25,000 to 35,000 farmers from across the country. I remember the Stillborn family from my riding saying to me in my office: "If the dairy commission goes, it is not long before the dairy farmers go because these huge farm factories in the United States that produce milk will soon be shipping milk into Canada in huge tanker trucks at a lower price that can be produced in this country and undercutting the farmers who produce milk today". We have all kinds of additional costs in this country that you do not have in the United States.

We have the cost of a much more severe climate in this country than they have in parts of the United States. We have social programs which are, of course, expensive to keep in this country so our taxation regime is different than the United States. Without supply management, without the marketing boards, we are going to lose the dairy, chicken, turkey and egg farmers we have now .

• (1610)

I would like to see our Prime Minister take a much stronger stand on behalf of our farmers. I would like to see him fly to Washington, along with a delegation of Canadian farm leaders, and lobby the President of the United States on the position and the point of view of the Canadian farm.

Our problem is that President Bush and the American administration are the main ones pushing to get rid of the Canadian marketing boards so that there would be a greater market for the American farmers in this country.

If you have a market in this country of 26 million or 27 million people and the United States is south of the border, they are looking at that market and they are sort of savouring the market like a fox savours the chicken coop. They want to get inside the chicken coop and they want to feast on it.

Yet we do not see our Prime Minister going to Washington and saying to Mr. Bush: "Look. We have a democratic right to keep our marketing boards. We want to produce for our own market. We are competent and efficient. Our marketing boards are good for the farmers and good for the consumers. Our marketing boards in addition to that mean there are more jobs for the people of this country".

I go back to the Stillborn family from my riding. They explained that not only will we lose the farms if we lose the marketing boards, but we will lose all the jobs, the part-time help of people working on those dairy farms and working on those poultry farms and working on the egg producing farms. Many young people work part time on those jobs. We also lose the full-time jobs that go along with it.

In the city of Yorkton that I represent for example we have the Co-op Dairies which employs a lot of men and women in the dairy producing the milk products that go around our province of Saskatchewan. If we lose the marketing boards, how long will it be before we lose the dairies because if we start using American raw milk we are soon going to be using American cheese, American yogurt, American ice cream and other American products. The same thing is true of course in the chicken, turkey and egg industry as well.

We are looking here at losing the farmer, at losing tens of thousands of jobs for people in the small towns and the cities right across this country. Of course we are losing a stable and reliable market for the consumers of Canada.

Those are some of the problems facing the Canadian farmer today. The important thing is a fair price based on the cost of production. The other important thing is to have a Prime Minister that supports us in the GATT negotiations by going to Washington with the farm leaders and bringing opposition members of Parliament with him to make the case to the President of the United States, to Congress, to the American people why we as Canadians need to keep our marketing boards.

We need a government that is more effective and more outspoken about ending the trade war, the grain wars between the United States and Europe. Those are the three big issues that are facing farmers today.

There is a fourth very important issue and that is the issue of farm debt. Farm debt is there largely because of the problems of farm income. If we look at debt today we find that our farmers are in greater debt than they have been for decades in this country. Many farmers are being forced to leave the land. There is farm bankruptcy after farm bankruptcy.

I know of a couple of cases in my riding where the farm stress situation because of debt have led to some very serious problems. People have contemplated suicide because of the stress on the family, because of what it has done to the children of those particular families that all of a sudden come from a household that does not have the money to buy the basic necessities of life, let alone some of the things that most children want and need for their own development, their own entertainment.

These are the social consequences that are facing rural Canada today. One of the problems we have of course is that in the rural communities people live a long way apart. They live on farms scattered throughout many miles. They live in small villages and on small farms so that we do not see in a vivid and explicit way many of the problems that we tend to see in urban Canada, such as food banks, soup kitchens, people living on the streets, the homeless and people living in small homes, small apartments on minimum wage or people begging on the streets. We see that in urban Canada. In rural Canada much of that poverty, suffering and misery are hidden from public view. But I assure you, Mr. Speaker, it is there.

I conclude this part of my remarks by saying that the most important industry, the fundamental number one industry in this country is the agricultural industry. If we have a strong farming base, and of course fishing and forestry in other parts of the country, in other words the renewable primary industries, we will build a strong country and create jobs for Canadians from one coast to the other.

I do not see that vision today. I do not see that plan today. I do not see that objective today in terms of the government's spending priorities either in the budget or in the borrowing bill in terms of what it wants to borrow money for.

The other point I want to make is that as I travel around this country I feel that Canadians are fearing for Canada. They are wondering what is going to happen to this country of ours. It is not only the farm crisis. There is the unemployment crisis. People are being thrown out of work. There is a recession that is worse than the recession back in the early 1980s, 1981-83. We have a recession that has caused hardship, because we had high interest rates, because we have an overinflated dollar, because we have a trade deal that was signed between this government and the United States which I maintain has given away too much of our sovereignty. The trade

deal should be scrapped and should never have been signed in the first place.

That trade deal is hurting this country. In particular, it is hurting manufacturing. We are seeing that in the province of Ontario and it is hurting every single province of this country. Yet we have a government that is now negotiating not just a trade deal between us and the United States but trying to expand that trade deal to include the Mexicans as well. That concerns me when I see the wage rates in Mexico compared to Canada where people are paid one to three dollars an hour compared to $14, $15, $16 an hour here. In Mexico they have no social benefits compared to social benefits in this country, they have little or no environmental regulations or standards compared to what we have today.

When I see those comparisons, when I see those differences I fear for the Canada that we are going to have if this government signs the trade deal with Mexico.

I think Canadians are fearing for their country. They are fearing that their national institutions are slipping away, that CBC is slipping away, the post office, the railway system and the airlines. Canadians say to me now from coast to coast that we want our country back. We want this country back. We want Canada back once again.

[*Translation*]

We need a country that is stronger and sounder than it is now. We have many economic problems. I mentioned the high rate of unemployment, farmers, the problems we find throughout the country, and the problems we have as a result of the FTA between our country and the United States. We also have to deal with national unity and the Constitution, to achieve unity between Quebec and Canadians across this country.

[*English*]

It is important that we have a national vision, that we have a national dream, that we start building once again, that we start spending our money in this country on research and development, on education so that we can create jobs. In the long run, I do not think it is any secret on how to create jobs in this country. If you look at Japan, western Europe, parts in the United States and other parts of the world, many of them having fewer resources than us, what they basically do are three things for making their economies more competitive and more efficient. They invest in training. They invest in education and they invest in research and development.

What do we do? We do not invest anywhere nearly as much in those areas as most countries around the world. In research and development, our investment per capita is at roughly the same level as the Republic of Ireland or the country of Egypt. Is it any wonder we in this country are falling further and further behind our neighbours in Europe, the United States and Japan? We do not have the national priority and the national vision to do what other countries have done so well.

• (1620)

[*Translation*]

Mr. Speaker, 50 years ago, Japan was crushed by nuclear bombs during the Second World War. France was also crushed, like so many European countries. And today, the standard of living in many European countries is as high as it is in Canada or even higher, in some cases, and we see the same phenomenon in Japan.

If people in Japan, France, Germany, Sweden, Switzerland, and many other European countries have a national vision, we could also have a national vision in this country.

[*English*]

We can do many things in this country. We can educate our people. We can train our people. We can put our people to work on building a strong and independent Canada that can be competitive and efficient and compete with anybody anywhere in the world, but we can only do that if we have a national dream and a national objective and a national motivation to do that. I sense that the government across the way does not have that any more, if indeed it ever did.

The last point is that the people of this country are afraid of losing our social programs. We are seeing examples now, that started a number of years ago, where the federal government is cutting back on the rate of escalation of transfers to the provinces for post-secondary education and for medical care.

Some of the statistics that I have here, compiled by the provinces, tell us that over the last five or six years, going on to the end of the 1990s, the provinces will have lost tens of billions of dollars of potential revenue that they would have received if the federal government had not cut back on the Established Programs Financing program or not put a cap on CAP, which is the Canada Assistance Program, for Ontario, British Columbia and the province of Alberta.

These cutbacks by the federal government have put a large burden on the backs of the provinces, have driven up provincial deficits, have caused the provinces to scale down on their commitment to medical care in terms of dollars and have put a greater commitment on the hospitals, universities, school boards and municipalities of this country. As a result of that, the Canadian people are worried about their social programs, about the future of medical care, hospitalization, family allowances and the old age pensions. People in this country want to keep those programs accessible to all and keep them universal to all Canadians.

As we speak in the House of Commons, there is a greater movement in this country to end universality and medical care. In fact, the Reform Party of Canada as its official policy says: "We want to end universal medical care in this country". The Reform Party leader came two weeks ago to Regina, which is the cradle of medical care in Canada, and he challenged the NDP government to cut back on medical care and end universality in medical care. I say to Mr. Manning and the Reform Party, the answer to that is no, no, no. We need in this country universal medical care. We need a recommitment in this country to our social programs.

In ending, that was one reason why I was proud, as a member of the committee on the Constitution, that we included, in an all-party agreement, all three parties, a commitment to a social covenant which talked about medical care, post-secondary education, primary education, the environment, social programs, food and housing and collective bargaining for workers. We need a social covenant. We need to renew that commitment.

I end by saying people want this country back. They want Canada strong and free once again. I guess the way we will have to accomplish that is by changing the government across the way for one that really cares about ordinary people in Canada.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I compliment my friend on parts of his remarks. Obviously I cannot agree with him on all of them, but I would ask my hon. friend if he could enlighten the House, and I am particularly referring to his comments on agricultural policy.

My friend knows, as does everyone in this House, that the government has firmly supported the farm groups on supply management and done everything it can and continues to do everything it can to put forward its case. The farmers and farm leaders came to Ottawa and demonstrated in support of the government, as a matter of fact, on our policies and our efforts. What I want to ask my hon. friend about, because he is from the west, is this Reform Party policy. Of the three major parties—the Liberals, the New Democrats and the Conservatives—I do not really see any difference in our support of the supply management policies that have been put forward and that have brought stability to those sectors where they are in place. That puts us all in the same boat.

The Reform Party policy manual, and we have looked at it, is very very thin on agricultural policy of any kind. But Preston Manning is time and time again quoted as saying they would eliminate supply management and marketing boards and destroy what we have built up, whether it has been done federally or provincially, to bring some stability to those areas of agriculture which need it and which endorse it. I do not really believe that it is to the detriment of the consumers. I happen to think it is a good process.

I wonder if my hon. friend could enlighten the House as to why the Reform Party from the west wants to destroy what has brought such stability to agriculture in the rest of Canada.

Mr. Nystrom: It is hard to answer for Preston Manning and the Reform Party, but I will give it a shot.

First of all, the minister is correct when he says the three national parties are committed to supply management. That is true of our party, the Conservative Party and the Liberal Party. My suggestion here was that the Prime Minister could make a real point by flying to Washington with farm leaders and with members of the opposition to lead a lobby in putting pressure on not only

Mr. Bush but on members of Congress and the national press in the United States. I think that would be useful for the Prime Minister to do. It is a suggestion I made a few weeks ago to the Deputy Prime Minister and I hope that might be considered very seriously in the next few days.

In terms of the Reform Party, let us make it very clear that it is the only national party in this country, if you read its program, that says: "We do not support marketing boards in this country. We do not support marketing boards that are supply management boards", or indeed I suspect other marketing boards as well.

I believe the reason they do not support them is that they are a very, very conservative fringe group in this country which believes that farmers should be left totally to their own in terms of the international competitive forces. That is totally unrealistic in the world of today. Our farmers need the support of marketing boards. We have a colder climate, we are a small country in terms of market, we are right next door to the most powerful largest country in the world, the United States of America. It is a bit like the mouse and the elephant dancing together; unless we have some protection, which we get through marketing boards, the Americans are just going to come in here and trample all over us.

People should be aware that the Reform Party is saying no to marketing boards in this country. It is also saying no to farm subsidies, saying the farmers should be able to fend for themselves. Once again, it is the only party in this country that is saying no to farm subsidies: "Get rid of those farm subsidies". I ask you this: How many farmers in my riding would survive without support now from the federal government or the provinces? The answer to that question is very few indeed, yet the Reform Party is saying to get rid of them.

Finally, in terms of the Reform Party, not just agriculture but in terms of the Reform Party in general, what they are saying to the Canadian people is that there should be a cutback of 10 to 15 per cent right across the board. That is a relevant point to make here because we are dealing here with a government borrowing bill. The Canadian people should be aware of this. They are saying to cut back on everything from 10 to 15 per cent.

What does that mean to the old age pensioner who is barely making a living in Yorkton, Saskatchewan, or in Montreal? A 15 per cent cutback on the old age pension? What does it mean to education? A 15 per cent cutback when already we haven't enough funds to keep our universities and schools funded the way they should be? What does it mean to a sick person? A 15 per cent cutback on medical care in this country?

It is about time the Canadian people saw the Reform Party for what it is and said "no, no, no" to that party that wants to bring this country back into the dark ages.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened to the remarks of the hon. member for Yorkton–Melville. Quite frankly, in that part of his speech where he talked about the breakdown of rural Canada I am in full support of his recommendations, his ideas. I want to ask him a question. We touched upon it earlier before he began his speech. I raised an issue in this House about two and a half weeks ago when I relayed the story of my experience in the Middle East where I received in conjunction with constituents orders for 140,000 tonnes of food from Canada. That is not 40 boxcars or 400 boxcars of food. That is a combination of 4,000 grain cars and boxcar loads of food that is needed in the Middle East which will be paid for.

• (1630)

Because this food is going to the people of Iraq, and I stress the people of Iraq monitored by the United Nations, monitored not only in terms of shipment but distribution, I believe it is something that as a nation we should be doing, not only in terms of helping the people of Iraq, but also in terms of our own exports, our farming community. It not only has a short-term positive effect, but long-term potential.

I find that it is very difficult to move this kind of an order through the system because of the red tape here and the red tape at the United Nations, the difficulties between reparations and sanctions and humanitarian aid.

I would like to ask the member for Yorkton—Melville a very specific question. He has been a member of this House for almost 20 years. What direction or what thrust does he think that we should be taking to make something like this happen? Not only are the people in his community affected, but farmers all across Canada are affected by this kind of transaction. Could he give the House some advice.

Mr. Nystrom: Mr. Speaker, first of all I want to compliment the member for Broadview—Greenwood for the work he has been doing on this issue in terms of trying to accomplish two things, to help people in the developing world in terms of basic food products which are extremely important and at the same time providing a new market for the products of our Canadian farmers.

Many years ago, back in 1968 when I was first elected, there was a civil war in Nigeria. I was one of the members who flew to Biafra into the war zone and spent some time there with the churches and the Red Cross. I then got involved for several months afterward in trying to get humanitarian aid into Biafra through the church organizations. I am talking of food products, medicines, powdered milk, and things of that sort.

I understand what the member says when one of the big problems we had is the red tape on this end and the red tape on the other end and all the bureaucracy one has to go through.

Surely to goodness in our modern age there must be ways of expediting that, of eliminating that red tape, eliminating some of the bureaucracy, some of the details we have to go through when people are dying of starvation and needing something that we in this country can produce and produce in great abundance. There must be some way we can do that in the modern advanced age of technology. Surely to goodness we have the minds that can come up with a method of making the delivery an awful lot easier.

The second thing is there should be an agency of government which helps the public sector and the private sector to expedite work of this sort, that would go into places like Iraq and Iran and all throughout the Middle East and act sort of like a middle person that would make things a lot easier to accomplish in terms of what Canadian people want to do.

There is so much that we can do. I go back to the trade war with the United States and Europeans. I do not have the statistics with me now, but if you go back a few years you will find that there were massive subsidies of exports of American grain and European grain to the Middle East to places like Iraq and Iran and many other countries. That of course really hurt the Canadian farmer and producer because we do not have the treasury in this country to subsidize in a massive sense or in any sense the export of our grain to other countries around the world.

I think my answer to the member across the way is that there are many things we can do. One is to get rid of some of the red tape.

The Acting Speaker (Mr. DeBlois): Before resuming debate, 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 London East, Housing; the hon. member for Vancouver East, Violence Against Women; the hon. member for South West Nova, Search and Rescue; the hon. member for Notre-Dame-de-Grace, Gun Control; and the hon. member for Sudbury, Employment.

[*Translation*]

Mr. Jim Peterson (Willowdale): Mr. Speaker, today we are considering Bill C-61, which deals with our country's economic issues, with the broad economic issues of the day. First of all, I would like to say that as Canadians we all know that we have quite a few economic problems. Instead of getting better, the situation is getting worse every day.

We know that the unemployment rate recently went up to 10.6 per cent, which means we are not coming out of the recession but are still right in the middle of one. Canadians are afraid of what will happen to the economy in the future, and that is why retail sales have not picked up. Canadians are afraid of losing their jobs.

However, this is a direct result of the government's policies. Two years ago the government started with its high dollar and high interest rate policy. According to them it was the only way to make Canada more competitive. As a result, we now have a made-in-Canada recession, created by the policies of this government.

[*English*]

Our recession in Canada started long before the American recession because it was a made-in-Canada recession. What have we seen today?

In my city of Toronto, the unemployment rate is about 10.5 per cent. There are 211,000 Torontonians looking for work and cannot find it. Every person in this House, from whatever party, knows what it is like when a

constituent who is 40 or 50 years of age comes into your office and says: "You are my last hope. I have lost my job. My unemployment insurance has run out. I have sold my car. I have sold my house. Now I am losing my family".

Do we not have a responsibility to those individuals? Do we not realize that more than any other group in this country we are responsible for the tragic plight of these people who face unemployment? We cannot give them hope in terms of saying their jobs are going to come back. So many jobs are not going to come back.

Canada, in the three years since free trade, has lost 345,000 manufacturing jobs. That is 16 per cent of all our manufacturing jobs. Those are the highest paying jobs. They are not lay-offs, they are permanent job losses. The companies have closed up, and in many cases the jobs have gone south of the border.

Look at the auto industry. The auto industry is probably the key to whatever we are going to do in NAFTA. Canada has lost, since free trade came in, three short years, 21,213 auto jobs. That is 21 per cent of our auto jobs. When I asked the government the other day what it intends to do about it, it said that things are rosy and that the United States is losing jobs as well.

• (1640)

The United States, in those same three years, has lost just 9 per cent of its auto jobs. We are losing our automotive jobs at two and a third times the U.S. rate. This is due in large measure to an ill-conceived free trade deal that wiped out the safeguards for auto jobs in Canada. That is why we are losing the jobs much more quickly and they are going south of the border. Things are not well because we are going to continue losing more of those jobs unless this government shows some leadership and is prepared to step in and say: "Enough is enough. We are going to stand up for Canadian workers".

The member for London East raised the issue today of General Motors. It lost a deal at its London plant for 25 locomotives. Who is going to pick up those 25 locomotives and create the jobs? General Electric in the United States is going to.

CN is buying these locomotives. CN has public funding. It is a Crown corporation. Can you imagine anything more stupid than our Crown corporations helping American workers?

We heard the member for York South—Weston who showed how we had increased funding from $.6 million to $17 million for Canadian studies abroad. At the same time here in Canada we are cutting out the Science Council, the Economic Council. At the same time this government is spending $21.2 billion on an ill-conceived prosperity agenda. This prosperity agenda asks stupid questions to which we already know the answers, questions it raised in its 1984 mini budget. What has it been doing? Eight lost years and it did not even answer them.

In effect, Canadians have answered. We have a high pile of studies telling the government what should be done in the area of education, training, research and development, science, technology, innovation, financing entrepreneurs. These studies have done at public expense already. Why did it not read these to get the answers? It had to spend $21.2 billion so it can consult with Canadians. Canadians do not need this consultation. The answers are there.

The government is being political. It is spending over $3 million to simply advertise these meetings. Thirty or forty people are invited by paid consultants to come to these meetings and listen to some of the things the government has to say. The answers are already there. We know this is a government that is not prepared to consult and listen. It is prepared to advertise and tell Canadians what it wants, but it is not a government that is prepared to listen.

Did it listen to big business or exporters about the crushing impact of the high dollar and high interest rates on exports and on jobs in Canada and on the cost of the deficit? Did it listen to small business in terms of its two unemployment insurance premium increases? Why are labour and small business not part of this on-going prosperity agenda consultation process?

This government played fast and free with its own public servants when it limited them to 0 and 3 per cent increases at the same time that it was giving senior officials huge increases, at the same time that was giving

the Bank of Canada 6 per cent increases. How stupid. Labour had to back out of this prosperity agenda.

In Canada we all know that if we are going to get our economy turned around, one of the keys has to be that labour and management and governments at all levels must learn to work together. They do in other countries. Canada has the worst record of labour strife and days lost of any country in the OECD. How are we going to get competitive unless we work together for a common purpose? Instead of enhancing that co-operative spirit, the government has been destroying it repeatedly.

What did it do in this budget, which came down about a month ago, to try to remedy the situation? What did it do about this rising unemployment? I will give the government credit on two counts. It accepted the advice that we have been giving it for several years now, consistently, saying that the housing sector is one of the most important sectors in Canada for creating new jobs. We had recommended lowering the down payments and using other possibilities such as pension funds and RRSPs for funding the down payment on homes.

We know that if we can get the 50 per cent of our construction workers who are not working today back on the jobs, we are going to have not only housing, but immediate creation of jobs, if the government accepted these two proposals.

Those proposals did not cost any money. The government was not prepared to go further, as we suggested, in dealing with the municipal infrastructure programs in which we have to build new sewers to look after our environment and stop pollution. All we wanted to do was prepay a couple of those schemes that were on municipal books, to bring them forward a little bit. Was this government prepared to enter into a co-operative program with the provinces and municipalities in itself? Was it prepared to spend, in advance, a little bit of money to create these necessary infrastructures and also get people back to work, giving people the dignity of a job? The best social program is a job, it is not welfare that is augmented and is being paid for by the municipalities at the same time as this government is cutting back its payments for education.

At the same time, from the 1986-87 year until the 1992-93 fiscal year, this government has cut back its transfers to the provinces by $4.9 billion. There has been a $4.9 billion decrease over what it had committed to spend before.

With this type of approach, there is no doubt this is a government that is not prepared to create jobs to arrest this rising unemployment. This government was not prepared in its budget to accept our proposal for more basic training. This government was not prepared to even put $25 million to help with the food banks.

Today, there are two million Canadians using food banks regularly. Seven hundred thousand of those are children and the food banks are stretched—what a travesty in a country that has so much. We have come to rely on them. We have to get these Canadians back to work to give them the training and the education. We have to get the science and technology going.

We know that innovation, entrepreneurship, science and technology and research and development are the keys to the future. What has this government done? The Prime Minister promised everyone of us in this House and all Canadians in 1984 that he was going to double R and D by 1988. It has gone down. It has gone down below the level it was at in 1984. We are now down to the level which is less than half of that of our major OECD competitors.

Where are our young scientists who are going to universities going to get the jobs? The government will say it is the fault of the private sector. Blame it on the private sector, blame everything on somebody else, but the fact is that this is a government that admitted to Canadians that with the high degree of foreign ownership and multinational corporations in Canada, the R and D is just not going to get done here in the private sector. The minister of industry said a couple of years ago that branch plants just do not do R and D. What did this government do in its last budget? It decreased the withholding taxes on payments to foreign multinationals as if this is going to get them to come in here and do an R and D. Was it linked to more funding by these branch plants for R and D? Was it linked to the creation of more jobs in Canada? What a boon to have your withholding tax rate cut in half cut in half when you are sitting with profits and you want to repatriate them to your own home country.

If you are going to get at the problem, that is not the way to do it. We face a real crisis in terms of retaining our jobs and creating them here in Canada. The government is now engaged in the North American free trade agreement negotiations, NAFTA. It has a great deal of hope for these agreements. It said: "We are going into NAFTA and we are going to become part of NAFTA". There are no conditions, no qualifiers. It is an article of faith that free trade with anyone is good. There are not even ant terms.

We have suggested to this government to take our auto sector, which will and must be a deal breaker for NAFTA.

• (1650)

As I have said before, we have lost 21 per cent of our auto jobs under the free trade agreement at a rate two and one-third times the U.S. job loss rate for auto workers.

Are we prepared to stand up for Canada's needs or are we simply ideologues, free trade, marketplace, all those things are to the benefit of us all the time. We have a chance to say that we want a fair deal for Canadian workers. We want Canada to have its fair share of auto jobs.

Every expert recognizes the auto pact lead to the establishment of a high-level automobile industry, a world-competitive automobile industry in Canada going back to 1965. That auto pact basically said: "You will have free trade in North American automobiles, but only if you produce an equivalent number of vehicles in Canada. You can bring one vehicle into Canada duty free if you produce one vehicle in Canada". That is fine. We used our market to guarantee certain jobs. You get our market free, but you have got to produce jobs here.

That safeguard for jobs was wiped out by the free trade agreement. It was wiped out to the point that by 1998, when all the tariffs are gone, the Big Three could pull all their production out of Canada, there could be no auto parts jobs here, they could ship cars into Canada from the United States duty free and not have one job here in Canada.

The Conservatives believe that free trade is a necessary part of globalization. That is naivety of the worst order. What percentage of Japan's auto market is served by foreign auto manufacturers? Three per cent. In the European Community they are debating whether by the year 2000 they will allow foreign penetration to go to either 15 per cent or 17 per cent.

Today in Canada the European, Japanese and Korean auto-makers, the foreign auto-makers, have 37 per cent of our market and produce only 3 per cent of the auto jobs in Canada. Now to me, that is being the Boy Scouts, naive to the nth degree, and we are the ones who suffer for not standing up for our rights, the rights of our workers to use our market to create a fair share of Canadian jobs. Why give it away for nothing? The other countries do not do it. The other countries are not practising free trade. Why should we be the only ones to do it?

In these NAFTA agreements, we have asked the government some very specific questions and we have asked it for some terms and conditions. We want, first of all, a North American tariff level or quota level which is going to get foreign penetration of the North American market back down to international norms. Why should we be higher than our major competitor, the European Community or Japan? Is that asking too much? Is it really?

Second, we want to go back to something like the auto pact. Not only will we give free trade within North America, but we want to make sure that free trade applies in a way that Canadian jobs are not sacrificed. So that means that we have to undo the provisions of the free trade agreement that allow these manufacturers to pull completely out of Canada. As a price for coming into Canada free of duty they should be prepared to create some jobs here. This is what we are asking, that is all.

We are going to have to have not only North American content rules, but country or Canadian content rules if we are going to get back to where we should be in terms of international norms and in terms of Canada's fair share of North American auto jobs. Let us not be the only naive people.

There is a lot of misunderstanding going on with this government. There is a canard out there promoted by this government, that the dispute settlement mechanism under the free trade agreement has just been a wonderful boon for Canadians.

We now have the Honda decision. They can impose tariffs on us and the only right we have is to consult with the Americans about these tariffs they have imposed on us and then after consultations go to a panel. But that panel's decision will not be binding on the United States

unless the United States agrees. There is no binding arbitration of the Honda dispute. This is the most potentially damaging decision that has ever been taken to Canada's industrial future. It means that no other country or no other corporation within Canada or outside is going to establish in Canada to service the North American market.

We have got so much to do. I wish I could speak longer.

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, I would like to direct a question to my colleague from Willowdale. He has given a very succinct speech. He has an appreciation of all the problems that this country is confronted with. In my particular area I do not think there is one area in which it is illustrated so clearly the mistaken policies of this government as in the cross-border shopping issue.

I live in a border town. I can look across the water and see the United States. I see the devastating effect that cross-border shopping has had on the merchants in these small towns along the St. Lawrence, which is my beat.

I was suggesting to the government, because this has been tried, this is not a stab in the dark. It was tried in one community where they lowered the price of gasoline by giving out coupons. The merchants gave out coupons and lowered the price of gasoline. They found the biggest single attraction to the United States is the price of fuel. Fuel is not a luxury. Most householders, working men and women, have a car and they need that. At one time perhaps fuel was a luxury. It is not now.

I am convinced that if this government would make some kind of a study to determine the amount of revenue generated from the 8.5 cents federal excise tax on fuel, and if it would drop that, drop it totally or reduce it drastically, that it would turn around the economy of these small centres.

When people go to the United States to fill their gas tanks with fuel, while they are there they shop. That seems to me like a rather simple sort of solution to the problem. Take away the attraction. I do not blame the people. I never blamed the Canadian people for going to the United States to shop. With the policies of this government, it is driving them to the United States to shop.

I just wondered if my friend from Willowdale would like to comment on that kind of perception. It is not imagined; it is real. All you have to do is drive through these towns and see the number of shops that were thriving a few years ago. They are closed now. It is hard almost to find a gas station on the main street because there is no sale in Canada for the product.

Mr. Peterson: Mr. Speaker, my colleague and friend from Leeds—Grenville has brought this issue forward time and time again. What he says is absolutely right.

His contention that the chief cause for cross-border shopping is our high cost of gasoline and diesel fuel has been confirmed by the Liberal task force on deindustrialization and economic renewal and by the border municipalities. The mayors of these cities have told the government to get the cost of fuel down to the U.S. level and we will get rid of part of this whole phenomenon of cross-border shopping which is costing Canadians anywhere from $3 billion to $5 billion in lost sales a year.

The government knows that cross-border shopping is a problem. What did it do? A couple of months ago it brought out its answer. Did it deal with the cost of fuels and bring them down to the U.S. level? It did not even mention the cost of fuels. Its head was in the sand.

What it did do though is it figured out that Canadian cigarettes go into the United States duty free and then they are smuggled back into Canada. The government figured that it could be the tax cop and it would impose the GST on these cigarettes going out of Canada up front so that even if they are smuggled back in here, we have not been cheated at the Canadian revenue base. Did it do any research of people who buy cigarettes? What has happened? People just buy American cigarettes because they are cheaper. That is the stupidity of this government.

The government's tax policies are not based on common sense. What is the result? We are losing our tobacco industry.

• (1700)

Now maybe the tobacco industry is in disfavour, but I will tell you this: Don't kick a tobacco farmer out of Canada until you have another job for him that just pays the same amount of money. That is the obligation.

As the hon. member for Leeds—Grenville has pointed out on a number of occasions, this government thought as to what it was going to do. It said: "We will help you collect the taxes when people come back into Canada, because there is total tax evasion when people come back in. We don't have the officers there to collect the taxes". But it said to the provinces: "We will help you collect your provincial sales taxes if you will implement our GST and start taxing more goods". My God, the provinces are not going to fall for that blackmail, and they have not.

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, I listened with great interest to the member for Willowdale who seems to know a lot about cross-border shopping, even though his riding is a long way from the border.

I hear what he is saying about gasoline tax and cigarette and tobacco taxes. He is saying what a terrible mistake it is. Well, I guess he was not here at the time, but he should reflect upon his colleagues on the Liberal side. For years they did the exact same thing. It is a carry-on from this philosophy in Canada to add those taxes.

I am in agreement that gasoline tax is certainly causing us some problems at the border. But I also submit to my friend across the way that I spent a lot of time last summer devising a plan. I thought would be helpful for us to have a system at the border communities that would help us to have a reduced tax by giving an allowance on the income tax like the northern benefit.

I was interested in the pontificating by the hon. member for Leeds—Grenville. I sent him that proposal. I did not even hear one word of support or interest whatsoever. I think that is a little bit disheartening to do that. I included the opposition members as I did my own members on this side of the House.

There was very little interest, even from the opposition members who have border communities. But I understand within his party there would probably be a problem because the rest of the people say: "Me too". I am sure that he did give it a whirl and they all said: "Yes, we want the same thing too".

But I agree with my friends across the way. We who represent border communities have a problem with cross-border shopping and certainly with the price difference in gasoline. It does not affect the member for Willowdale at all, I do not think. People do not drive from Toronto to buy gasoline, but they do from the border communities and then they buy other things when they are there.

It is a difference in philosophy that has been carried on for years and years. I do not think that he is fair in blaming the government of the day because the Liberal government was in power a lot longer than the Conservative government. It started this whole thing rolling and it has continued on.

I agree with him that it must stop, and we must not have increased gasoline taxes.

Mr. Peterson: Mr. Speaker, in response to the partially intelligent intervention by the member for Sarnia—Lambton, he is right. It is a real problem. Our task force on deindustrialization travelled throughout that whole area. We saw how communities were being devastated, their downtowns were being wiped out because of cross-border shopping. He knows what is happening in Sarnia—Lambton.

I recall that part of our task force was conducted by the member for Lambton—Middlesex and partly by the member from the Tilbury area. We met truckers who said: "Peterson, we have not filled up our trucks in Canada in the last year. We have to move to the United States". The trucking industry is moving because of this differential of which the member for Sarnia—Lambton talked.

I suspect this was partly facetious, but he said that it was our fault, that we did not respond to his entreaty to have some type of benefits program for border communities. That is the first I have heard of it.

What I wonder is why he could not convince his members. He has the benefit of talking to them in caucus and of working with them. Why could he not convince them? I am sure he tried eloquently to get his members onside for his proposal that might have done something to stop cross-border shopping. Why did they not listen?

I do not condemn the member over there. He was not sitting around a cabinet table when they made these laws. He was just slightly ingenuous when he said that this was a program that we had started.

Cross-border shopping became a major problem when we got free trade, the GST, a high dollar and high interest rates. That is what drove Canadians into shopping across the border and gutting the downtowns of our border communities. Until these policies are reversed, we are not going to get this problem dealt with.

I am sorry that the member was not successful in convincing his colleagues that perhaps they should have listened to him. I will tell hon. members that they should have listened to him. I hope they will listen to him in the future when he tells them to get their dollar down, to get their interest rates down, to get our taxes down and harmonize them. That is one of the problems that is going on right now.

I hope he will be prepared to stand up and say: Get rid of the GST.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I welcome the opportunity to speak on Bill C-61, an act to provide borrowing authority for the fiscal year commencing April 1, 1992.

Before I start, I would like to comment on the remarks of the Minister of State for Finance and Privatization who opened the debate. During his remarks he stated that the government cannot be crippled by debt any longer and were looking to streamline the economy by cutting spending and not by increasing taxes.

It seemed to me that the minister should be enlightened as to what this government is doing. I would like to comment a little bit on some press releases. For instance, in the *Toronto Star* on October 21, 1991: "Tax Revolt Brews Among Tory MPs". That is his own MPs on his own side of the House.

"A revolt is brewing among backbench Tory MPs over what they see as excessively high taxes on the middle class. The attitude that the Tories are only pro-business and do not care about the little guy is sinking us", says MP for Markham—Whitchurch—Stouffville.

This is coming right from their own side of the House. It identifies very clearly what this government is doing and the policies it is carrying out. Now it is coming back to this House and telling us to approve a borrowing authority so that it can carry on and conduct its business.

I would like to identify some of the things that this government is doing. Taxation comes in many, many forms. Let us take a look at another form of taxation. My riding of Kootenay East identifies pretty broadly with other ridings and the effects on them right across Canada.

I have a large area that is covered by three border crossings, customs crossing to the United States. I have a large resource base in coal mining, silver, lead and zinc mining, and in forestry, natural resource bases. One of the things that the government did was change the Unemployment Insurance Act. Bill C-21 opted out of that program. It introduced a new program to which only the employer and the employees contribute.

It also raised the cost of that program. The business and labour groups are outraged that the federal proposal increased unemployment insurance premiums by 14.3 per cent in January, only six months after a 24 per cent hike.

This is another form of taxation. What is being done in the riding of Kootenay East is taking another large amount of money directly out of those communities and sending it directly to the federal government. Of course, those communities lose. The workers and the employers lose that money, so it is another form of taxation and the money that has left that area.

• (1710)

Mr. Whittaker: When they closed the mine did they use any of that UI money for retraining?

Mr. Parker: That is right. My colleague from Okanagan—Similkameen asks if they used any of the money for retraining. That is the problem. They have got out of this program and now they are not initiating any kind of training or are trying to help these people. The changes have cost the people a lot of money.

Another area is the high interest rate policy. The high interest rate policy of this government has created serious problems for the coal mining companies, for the various business groups, and the other areas within Kootenay East because the high interest rate policies cause them to borrow money. The money leaves the area and of course the area does not have those moneys any more.

The implementation of the GST, is that not another form of taxation? "The GST to hit $16.3 billion target says Jelinek" was a headline in *The Ottawa Citizen* of October 25, 1991. Seven per cent of every dollar on every item that people buy within that riding immediately is picked up by the business people and shipped off to

Ottawa. It is another form of taxation that is taken directly from these people.

Is it any wonder that the people in my riding who have three accesses to the American border are going across that border for shopping? This has affected adversely the small businessman within the Kootenay East area. People are finding out that on a weekend they can get in their cars and drive a short distance, fill up their cars with gasoline, spend a couple of evenings across the border, do their shopping, come back the next day with virtually very little cost and have an entertaining weekend. It certainly affects the economics of the area.

Probably the worst form of taxation that this government has ever brought in was maintaining the high Canadian dollar. The high Canadian dollar in a resource industry area such as mine where we have to depend on the sale of our materials such as coal, silver, lead, zinc and softwood lumber to other markets creates serious havoc. Everyone in Kootenay East knows, and I am sure everyone across Canada knows, that the high Canadian dollar is a direct result of a commitment that this government made.

In fact the former President of the Treasury Board reported that it was a part of the free trade agreement that they maintain the Canadian dollar at a high level during a certain period of time.

It is another form of taxation that is crippling a riding such as mine which depends so totally on the resource base to sell its products. A lot of our coal goes to the Japanese market.

Another very direct form of taxation is the capping of the equalization program for the province of British Columbia. Again the people of Kootenay East are being taxed because when the province does not get its fair share of taxation from the federal government, taxation comes back down to the provincial governments and down to the local governments.

Is it any wonder that the Canadian people are standing up and fighting this government on their taxation policies and what this government is trying to do.

The cuts to our education programs, especially in a riding such as mine where the nearest university is in Vancouver which is a good 400 miles away is another tax. Students have to leave the riding to go to university. We are fortunate enough to have a college there and many students are able to go to the college but those who wish to go to university have tremendous costs. Where are the provisions to assist those people? They are not there.

I want to speak for a few moments if I may about a report that was put out in *The Financial Post* of October 21, 1991.

> Canada needs a new economic vision and implementing it will require profound and uncomfortable change right across Canadian society, says a landmark report on the economy.
>
> The $1-million study released yesterday by Harvard University economist Michael Porter is a sweeping indictment of the attitudes and practices of the major players in the economy— business, labour and government.

Mr. Porter gave this government a seven-step solution to our economic problems. This is not a New Democrat but I want to read this report because I think it makes a lot of sense.

> Harvard economist guru Michael Porter, who has advised other countries on prescriptions for success, says Canada must take several steps to become a more competitive economy. Among his recommendations are:
>
> Become an economy driven by "innovative" export industries.

You are not going to do that with a high Canadian dollar.

> Increase and upgrade the sophistication and productivity of the existing base of resource companies.
>
> Shift various incentives in government, industrial and regulatory policies to encourage work investment and skills upgrading.

Did you see anywhere in this government's program for competitiveness any of these proposals?

> Build on Canada's regional strengths instead of trying to diversify the economic base over our regions.
>
> Move quickly and decisively to create a true economic union and effective free trade within Canada.

Can you imagine signing a free trade agreement with the Americans after a century of building a railway system east and west? We signed a free trade agreement with the Americans going north and south and we have not even devised a system within Canada of trading with each other.

I have worked extensively with our coal industry, trying to sell our western Canada coal to the central Canada markets. We are starting to have some success. The only reason we are having that kind of success is because we have a government in Ontario which is starting to listen. It can see the benefits of buying western Canada coal, shipping it across the transportation systems into the Ontario markets and the possibility of those shipments on those railways being able to buy the steel from their steel mills to upgrade the rails that go west again. That is the kind of trade we should be looking at. That is the kind of encouragement that should be taking place.

Transform foreign subsidiaries into companies that serve the Canadian market.

Another sensible suggestion. Why are we not doing it? Probably the most important recommendation, but it is not going to happen from this government, is to "forge more co-operative labour-management relationships". That is essential to any striving country that wishes to get out and be competitive. This government is not putting out that kind of effort, the kind of programs that are going to be required to carry that out.

Is it any wonder as I go through my riding, I hear the people talking about how our country is beginning to fall apart. They want Canada back. They want to get rid of the policies that are splitting and dividing us. They want a government that will bring us back together and a Canadian government that will save our transportation systems, not dismantle them like it did with VIA Rail. They do not want deregulation of our airlines. They do not want the Americans coming up and taking over our transportation systems. Surely to goodness we are innovative enough to be able to bring about the kind of policies in transportation that will serve our people and not let us be dependent on other countries for even travelling across the broad lengths of our own country.

Is it any wonder that no members of the Conservative government are speaking on this bill. I would not if I was a backbencher sitting on that side. God forbid me if I was. I would be ashamed to stand in this House and try to defend the kinds of policies this government is bringing to the Canadian people and to come back to this House and ask for borrowing authority to fulfil those kinds of programs. Is it any wonder that none of you got up in this House to speak on this bill. It does not surprise me a bit.

• (1720)

Many of the other policies that this government has adopted have hurt us in a tremendous way, such as VIA Rail. Ask the people in tourism how it has hurt us in the west with regard to the abolition of VIA Rail through British Columbia.

Mr. Hockin: What about the Rocky Mountaineer?

Mr. Parker: The member across the way asks about the Rocky Mountaineer. The Rocky Mountaineer comes on in probably another month and it will serve for the summer months. That train is booked solid with people from Japan and across the country. To get a reservation on that train is almost impossible.

Mr. Hockin: That is in addition to what was before.

Mr. Parker: It is not in addition. We had a crack Canadian train that travelled across Canada, called The Canadian. Remember The Canadian, that silver bullet, that beautiful passenger train with the good services that travelled across Canada that was dismantled by this government?

An hon. member: Shamefully.

Mr. Parker: Now he says: "What about the Mountaineer?" Try to get a booking on that train. Try to say to the tourism people in my riding that they can conduct a tour—

An hon. member: You are against it because it is private enterprise.

Mr. Parker: I am not against private enterprise. I think the Rocky Mountaineer is a good proposal, but why do away with the transcontinental train and stop other people from travelling.

Ms. Campbell (Vancouver Centre): Nobody rides it.

Mr. Parker: The member for Vancouver Centre says: "nobody rides it". I worked for the railways. I can remember the day when there were seven transcontinental passenger trains going east and west across the country. We did not have the courage or the decency to maintain one good transcontinental train.

I want to say that the same thing is going to happen to our airline industry if we are not very careful. We are now seeing the situation where airlines are finding themselves in difficulty. The Americans are looking at coming in and picking up some of the pieces. We will end up having to make a detour to Seattle to get into Vancouver. Is that the kind of transportation policy we want in this country? I say that is not the kind of vision I have for Canada, nor do many of the people in my riding.

I want to go back to some of the policies this government has carried out with regard to the free trade agreement because I think it is really the cause of what is happening here. That is the cause of the high Canadian dollar and the GST. There is no question about it. They wanted to do away with the manufacturers' tax so they could conform with their free trade agreement

Mr. Hockin: You would keep the manufacturers' sales tax?

Mr. Parker: I want to state quite clearly that I want to know where the benefits are. The manufacturers' tax was supposed to have been taken off but I do not see a big decrease in the cost of manufactured goods. I do not see a decrease in the price of the car I purchased.

Mr. Hockin: Read the Consumer Information Act.

Mr. Parker: I want to say something to you in reverse with regard to the free trade agreement. I want to pursue this because the softwood lumber issue is a prime, key example for someone from a resource based area in the lumber industry, such as my area. To slap a duty on our softwood lumber shows very clearly that this government did not protect our own interests with regard to the lumber industry. Many of them may be going broke before the settlement finally comes around if this government is fortunate enough to be able to convince the Americans they are wrong. They should know they are wrong and they should demand that they remove it immediately if they feel the free trade agreement is that important.

My view is that the free trade agreement is what is killing us. We should get rid of it. We should be looking at a trade agreement that deals with sector by sector and try to bring about a more rational agreement than the one today that is killing our farming industries and the various manufacturing industries in Canada.

Mr. Jim Jordan (Leeds—Grenville): My colleague in the NDP mentioned cross-border shopping and the effect it is having on his riding. I was not aware that he was in that particular riding.

We have mentioned here this afternoon that the biggest single feature in attracting Canadians to the United States and border towns is the price of gasoline. That has been identified. The party in power should know our position on it, to drop the 8.5 cents federal tax on gasoline.

We heard from a colleague in the Tory party who agrees with that, I think. He said he agreed with that a little while ago. I suspect he could be speaking for part of his party, although not all of it. I would like to know what the NDP position on this would be. Would you not feel that it would be a good start if we could keep Canadians at home, to shop at home, buy things at home instead of going to the States to shop? I am not condemning Canadians. They have been driven to the States to shop. If we could make it attractive for them to stay and buy fuel oil at home, they might also then stay at home and buy some other things because the main attraction is the price of fuel.

I would like my colleague's reaction to that.

Mr. Parker: Mr. Speaker, in my findings in my riding, gasoline is one of the major factors. They go there and gas up their cars. In a place such as Creston, they have an agreement with their company. They have cut the gasoline rates in those areas. We have seen a system where some of the oil companies have identified a problem there. If they are going to keep those servicing bays open, they have to cut their gasoline prices in order to try to alleviate that kind of problem.

I think it is much deeper than that. What I find in my riding is a protest against the taxation policies of this government. That is what they are telling me. "I find a way of going across the border and showing this government. Whether I save any money or not, it is going to be a protest against this government about its taxation policies and how it carries them out". Another very important area, and I am sure that the member knows this, is dairy products. Many of them go over for dairy products because they are able to get dairy products there much cheaper and so on.

I believe that the taxation levels of this government have created that kind of situation. It is a hundredfold worse now that we have the GST because it is a protest. That is the only way these people can get back at this government to notify it that they do not agree with the policies it is carrying out.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I congratulate my friend for his comments on this particular debate. In speaking in the debate, I noted a number of things that occurred to me throughout the course of his remarks, from the problem of the unemployment insurance, the high unemployment rate, knowing that in his riding within the last couple of years he has had a major problem with the shutdown of a major smelter and mine in his area, problems caused by high interest rates and a high dollar for exporters for his region, in the farming communities in Creston, from the forest industry in his area in Cranbrook and from the mining industry through Kimberley–Firnie and other areas.

One thing occurred to me as he was speaking, and I know that the Minister of State for Small Business would want to pay particular attention to his response on this because it is a small business matter. It is one of the things that this government appears not to have paid much attention to and can actually, I believe, help the small business community and the resource sector is in the area of value added production. It appears that they have not given much attention to it. Over the course of the last three years, I have asked a number of questions of the government on its purchasing policies. I find that it often goes out to contract to the lowest possible purchasers, certainly in the area of food production.

• (1730)

I know the member, coming from an area like Creston, represents an area of agriculture, as is the Okanagan—Similkameen region. We have been trying to encourage value added products in agricultural products. Yet we have seen canneries and jam factories that we had in our areas over the years that have closed down because they are non–competitive supposedly. If you talk to the producers, for instance in Summerland or Bevan, they tell you that they have got all sorts of purchasers. You have got other value–added products that could be made with the drying of fruit and fruit leathers, et cetera, but can they get the federal government to open the bidding process to them? It appears that the federal government cannot do this.

The government could be injecting millions, in fact billions of dollars into this area, creating employment and doing something about the 1.5 million unemployed and the millions of others who have given up at this particular time, creating employment by putting money back into the pockets of those producers, whether it be softwood lumber, in the production of goods from the mining industry, or in the agriculture industry of Kootenay East riding or in fact Okanagan—Similkameen—Merritt.

I want to ask the member for some comments on his views of value–added production and what the government should be doing in turning its purchasing policies toward purchasing locally, purchasing from Canadians for Canadians.

Mr. Parker: Mr. Speaker, yes, and I welcome the question from the member for Okanagan—Similkameen—Merritt.

Years ago, Bulman tomato juice, the canneries in the Okanagan, the pea growers and various other groups were down there. I think that is the type of thing that the federal government should be getting involved in and encouraging these people to go that extra step. Our Canadian products are equal to anyone's anywhere across Canada.

Had the government stayed within the unemployment insurance, it could have raised the rates to bring about more technology and more training. It could have stayed within that program and used it to deal with the economic problems when mines shut down. It could be used as a training facility to help retrain people, especially older people. Most of the people in these resource–based areas are older people. They are unemployed because of technology or different changes and so on. Had the government stayed within that program maybe I could believe its story about wanting to be competitive, wanting to retrain our people and to get out there and show Canadians how we can do things. But no, the government has opted out of that program. It is standing by and saying that the free enterprise market is going to do it.

I am very much afraid that future Canadians are going to be the ones who are going to suffer for it.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I welcome the opportunity to participate in this debate on Bill C–61, an act to provide borrowing authority for the fiscal year 1992–93.

With this legislation, the government is seeking authority from Parliament to borrow some $24.7 billion, as well as another $3.9 billion under section 47 of the Financial Administration Act, which is a tremendous amount of money.

In introducing the bill, the Minister of State for Finance reminded the House that this was the fourth time he had the privilege of introducing a borrowing bill. I found it rather strange that he should be proud of that given the fact that this government had gone so far off on its economic projections so repeatedly and, as a result, was having to come back to Parliament for vastly varying sums, varying according to the plans that it had announced to us previously in its budget papers. Be that as it may, this debate allows us to talk about the context of the request by the government for this additional borrowing authority. That context is provided for in the February 25 budget of the Minister of Finance. I would like to address this debate in that context and speak about the budget of the Minister of Finance.

Like so many other Canadians I listened intently to the presentation of the first budget of the Minister of Finance, and like so many other Canadians I found myself very disheartened by the content or the lack of content or even the relevance of the budget to many of the problems facing Canadians at this time, particularly the Canadians I represent in eastern Nova Scotia.

There were two key priorities for the Minister of Finance to deal with in his budget. The first priority was to deal with the grievous levels of unemployment in this country. Unemployment has been driven up as a result of this government's wrong-headed fiscal and monetary policies which have caused the recession we are currently and seemingly forever in the midst of at this present time.

The first challenge of the minister was to do something to stimulate the economy, to get the economy moving again, and to do something in the short term to bring down this appalling level of unemployment.

The second challenge the Minister of Finance faced was to formulate and to implement measures that would restructure the Canadian economy and would halt the decline in our country's level of competitiveness and productivity which has been eroded seriously during the mandate of this government.

We realized that the Minister of Finance did not have a lot of fiscal room in which to manoeuvre. There was no opportunity to make lavish increases in spending and in new programs that would be very costly for Canadian taxpayers. However, the Minister of Finance had an opportunity and a responsibility to deal with these twin problems facing our economy.

His budget regrettably failed on both counts. Rather than deal with the fundamental problems we face in Canada, the Minister of Finance presented Canadians with a series of empty gestures which do nothing to get Canadians through these difficult times or prepare our economy to deal with the fundamental problems that lie ahead.

Basically what the Minister of Finance did in his budget was to present some gestures primarily directed at the Reform Party, obviously the party that he feels most threatened by, and to offer some small measures to convince the Reform Party that the government was actually listening to it and the constituency in the finance minister's area was tempted by the policies of Preston Manning and his Reform Party group.

As far as my riding is concerned the budget was a non-event. There was very little in it that could be said to be relevant to the problems facing the riding of Cape Breton Highlands—Canso which I represent. This budget failed to address the fundamental and systemic problems which will continue to plague the Canadian economy and the economy of eastern Nova Scotia, problems that will only intensify until definitive measures are taken to deal with them.

A prime example of the empty gestures found in the budget is the government's decision to sell off or wind up some 46 different agencies such as the Economic Council of Canada and the Science Council. These independent organizations were charged with identifying not only the many problems facing our country but also the potential solution to these problems. Yet this government would attempt to score cheap political points by eliminating these important bodies and would dare to suggest however subtly that these bodies had become part of the problem.

• (1740)

The Economic Council of Canada had a point, perhaps coincidentally, in a report released only a few weeks before the budget to the severe productivity problems that this country faced. These productivity problems had been aggravated and had become much more serious

during the last six years when this government was in power and when it failed in its first mandate to put measures in place that would deal with those serious problems.

It has only aggravated the situation. It has forced us into a much more critical financial and fiscal situation and made it much more difficult for us to put measures in place to deal with these problems.

On the contrary, the Economic Council of Canada and others represented our best hope of finding solutions to the challenges which confront us. Yet they must give way to the government's covert political agenda, not based on getting Canada working again but rather on short-term and self-motivated political gain.

That is what I call an empty gesture: empty of vision and empty of hope. Like so much of the Reform Party's simplistic dogma, the hollow measures contained in this budget are more style than substance. They do nothing to confront the deep-seated and profound problems which face Canada.

This government and this minister have done nothing but pay lip service to the fundamental and systemic difficulties which confront our economy and us all.

What will this budget do for the countless Canadians who have endured and who are facing bankruptcy? The Atlantic Provinces Economic Council stated in its most recent newsletter that business bankruptcies over the first 10 months of 1991 increased by 42 per cent in Atlantic Canada over the previous years, on top of the big jump in 1990 over 1989.

Last year alone there were 6,500 consumer and business bankruptcies across Canada. That is almost 600 more bankruptcies than in 1990. What is even more frightening is that 5,350 of last year's bankruptcies were consumer or personal bankruptcies. It is difficult to imagine the scale of personal tragedy represented by these figures which in themselves do not even begin to reflect the huge number of Canadians who are avoiding bankruptcy by the skin of their teeth.

What has the Minister of Finance done for them? Why do we not ask the 1.5 million unemployed Canadians who look to this government and to this minister for concrete action on job creation, only to be ignored? All this government did for unemployment was to add to it. We have only to ask the hard working employees of 46 federal agencies who found out on February 25 that their services were no longer required by this government.

Even closer to home for me was the proposal to sell Cape Breton Development Corporation and to wind up the Enterprise Cape Breton Corporation. It will hardly instil confidence in the people of Cape Breton where the unemployment rate currently hovers over 20 per cent. What does this budget do for them?

In cutting back and folding over agencies designed to stimulate growth in the region of north eastern Nova Scotia, the government is in effect reneging upon a long-standing commitment on the part of successive governments to address regional disparity.

Let us take for example the government's measure to allow Canadians to use up to $20,000 of their registered retirement savings toward the purchase of a home. Very few of my constituents in Cape Breton Highlands—Canso have RRSPs to draw upon to purchase homes. That is not to say that there have not been inquiries on the part of some of my constituents about this program.

Some have asked whether they could work toward paying off their existing mortgages using this program. Many of these same people, however, were not even able to make a RRSP contribution this year, economic conditions being what they are.

Some members of the banking community in my riding tell me that they feel more like priests these days, having to listen to heart-breaking stories of economic hardship and the economic burden which these hardships place upon the family unit. These people face uncertainty as to whether they will have jobs six months from now.

Most are struggling just to make ends meet and to feed their families. How many of my constituents will be able to take advantage of the programs newly announced in the budget? Precious few.

What will this budget do for the housing industry in my region of northeastern Nova Scotia? Virtually nothing.

Of far greater effect would have been provisions for upgrading existing housing, such as providing more funding for the Residential Rehabilitation Assistance Program or the Rural Assistance Program. It would have been less glamorous but more effective. Effectiveness does not appear to be part of this government's agenda.

This government has talked again and again about the importance of preparing the Canadian economy for the challenges of the new global economy as we move toward the 21st century. It has talked about retraining and the vital importance of building an educated and highly skilled work force. It has talked about how our young people are the key to future prosperity.

This government seems intent on making it impossible for young people to get a decent education or to have a fighting chance upon graduating from college or university. Students are graduating with debt loads averaging between $10,000 and $17,000, only to discover that there are no jobs. They are looking at having to wait up to ten years or more before they can pay off their debts. The Minister of Finance announced in his budget that the Canada Student Loan Program will be privatized, and that the six-month interest-free period for loan repayment following graduation will be eliminated.

This government is refusing to deal with the problem. It is simply shunting it off on to the banks.

What will this do for the 20 to 30 per cent of student loan recipients in my region who are delinquent on their payments? It will make matters worse for them. These people are not deadbeats. They are young people who, at this point in their lives, should be filled with hope and optimism for the future. They are not being given a fighting chance. They are graduating only to find that the odds are completely stacked against them and that the government is only adding to their intolerable burden.

What is this government saying through this budget? It is saying: "That is their problem, not ours".

The budget also makes ominous reference to a new rate structure for student loans, which everyone concerned knows means higher interest rates. How can we expect students to pay more for the opportunity of furthering their education and to pay back these loans faster when they cannot find a job upon graduation? It does not make sense, except to this government.

Students, over 200,000 every year, who rely on student loans will pay the price as their government dithers, offering hollow platitudes instead of concrete measures. The students in my riding do not want empty gestures from this government. Neither do the unemployed nor those Canadians facing bankruptcies. They want and have every right to expect action, specifically on two important fronts.

First, Canadians were looking to this budget to provide some stimulus to get Canada's economy out of this recession. Canadians were not looking for wild and extravagant spending that would indebt the government further. They had a right to expect the minister to give the inflation song a rest and begin to address the real problem in our economy, the 10.6 per cent of able-bodied Canadians who do not have work.

The Minister of Finance proclaimed in his budget a plan to cut spending and taxes in 1992-93 by $1 billion, as if this would solve all of our problems. Surely we know by now that this is not the case. This is little better than conventional wisdom and a timid version of what the government would have us believe is its fiscal policy.

Let us not forget that last year the government told us that through its program of fiscal restraint the deficit would fall below $25 billion in 1992-93. Nothing could be further from the truth. It has now modified its estimates, saying that the debt will be reduced to $27.5 billion. It begs the question, why should we believe it now?

What about the unemployed? Is the government contending that the measures announced in this budget will solve all of the problems by stimulating economic growth? I am sure that is what it would have us believe. Canadians have every right to be doubtful, especially as far as this government is concerned.

I noted in this year's estimates that an additional $1.6 billion will be required to pay for the administration and expenditures of unemployment insurance over last year. As put so bluntly in the government's estimates of 1992-93, the total projected UI expenditures of $20.3 billion reflect the anticipated impact of a continuing recession on unemployment levels.

• (1750)

In light of this statement, what has this government done to address the tragedy of unemployment in this country? It has done nothing, and that is the greatest tragedy of all.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I want to congratulate my colleague from Cape Breton Highlands—Canso on his speech on this borrowing bill.

The words he spoke here before the House showed clearly that this government lacks the ability to govern the Canadian people. It lacks in that it has no imagination. The borrowing authority bill is before the House for passage. At the same time, we have passed a budget that has provided absolutely nothing in the way of incentive to Canadians for growth. Nor do we see any vision that this government might have for Canadians to spur them on.

The leader of our party had an idea that this budget should be giving something to stimulate Canadians. He had this idea as a result of many trips across Canada and as a result of many visits by members of Parliament to their constituencies and other places.

I cannot believe we are here borrowing. We saw nothing to give a stimulus to the Canadians to get the economy moving. We saw no restraint except for the ministers' salaries being frozen. At the same time, we know that the civil service is in a wage range that far surpasses members of Parliament who are here to supposedly represent Canadians and bring suggestions to the House. The salaries of the nine top categories in the Public Service are higher, starting with the lowest to the highest, than those of members of Parliament.

In the United States there is a capping on that by saying that the public service in the United States cannot be paid higher than members of the Congress or of the Senate. We do not see that in Canada. We do not even see that initiative on the part of what I call a dead-end government speaking to a Public Service that is not coming up with the ideas, speaking to Crown corporations in this House whose salaries are on the advice of an advisory group to the cabinet.

Today in the House there were two or three questions on the direction of Canadian National Railways to go out and get a contract in the United States.

These Crown corporations and the Public Service are not stimulated with high salaries.

Canadian National Railways goes from about a recommended $317,000 to $396,000. It seems to me that somewhere this government should have talked about that restraint and not restraining the Economic Council of Canada or the Law Reform Commission, which are aids to a sagging government with very few new policy ideas.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would remind the hon. member that one normally addresses the Chair.

That being said, I give the floor to the hon. member for Cape Breton Highlands—Canso.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I would like to thank my colleague from South West Nova for her comments and questions.

[*English*]

My colleague is one of the most assiduous members in this House when it comes to representing the basic economic concerns, not only of her constituents, but of rural Canada. She will know about some of the points I want to raise in response to her questions.

To begin with, as I said earlier, the budget had a challenge.

The budget had a twofold challenge. It was to address the real concerns facing the Canadian economy at this moment, which are jobs and the lack of jobs, and to stimulate the Canadian economy and to put the economy on a footing that would prepare us to be competitive in the next decade and into the next century.

One of the most important sectors is one the government recognized and we on this side of the House also recognized. It is the housing sector. The government adopted suggestions which we made concerning the use of RRSPs and the reduction of down payments for housing. There are many other housing programs through CMHC that could have stimulated the housing sector in my riding and I am sure in the hon. member's riding as well, such as the RRAP. In my riding there are many, many houses that need to be repaired. This would

help local contractors and would help seniors, disabled Canadians and others, and would be much more relevant in the rural areas, such as both our ridings.

The minister has been talking about making Canada competitive. We all know that education and investing in people are key. We do not see anything in this budget or in previous budgets to give effect to that commitment. The aspects of the student aid program are certainly not going to make us more competitive or cannot be considered to be an investment in education. They are really only a reversal of previous policies which were against students.

I will conclude on the point about salaries. There is a lot of room to cut the high salaries of chief executives of Crown corporations, a small example of cutting the minister's salary. The point is that cutting the ministers salaries by 5 per cent will not raise a lot of revenue. The fact that it is even an issue demonstrates the bankruptcy to which this government has descended in its management of the economy. The government has to lower salaries because Canadians are beginning to feel that ministers are overpaid because they are unable to address the central problems facing this country and are still dealing with problems that are no longer relevant to Canadians.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, when I travelled to Nova Scotia last year on an economic tour, I saw some of the problems that were related to various policies of this government in rail transport and some of the policies with respect to unemployment insurance and retraining.

When I was in the Atlantic provinces on the goods and services tax hearings, the prediction from his area and other areas was that as a result of the goods and services tax, the underground economy would become greater and greater. It would be caused not only by the goods and services tax, but by some of the monetary and fiscal policies of this government.

I am wondering if the member would have a comment as to his experiences in his riding of Cape Breton Highlands—Canso with respect to the policy of how the cutbacks in VIA Rail and rail transport affected his area with respect to roads and traditional transport areas. Over the past year and some months since the goods and services tax was put in place, has he seen the problems I have seen in other areas of Canada whereby the goods and services tax is causing the underground economy to mushroom and become much greater?

Mr. LeBlanc (Cape Breton Highlands—Canso: I want to thank the member for his many questions. It will take me a couple of minutes to answer them.

As far as the underground economy being created by the GST is concerned, it is related to the problem of cross-border shopping for those constituencies that are closer to the border.

• (1800)

My constituency is not that close to the border, although the way in which the GST has impacted on it, in addition to elevating the amount of the underground economy as it might be called, has been that it has discouraged some of the industries upon which we rely, such as tourism. It has added to the real problem that we and many of our small businesses face in attracting tourists to our area.

In addition to that, it has been an additional degree of paper burden on our small businesses. The only businesses that have benefited from the GST are the accounting firms.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HOUSING

Mr. Joe Fontana (London East): Mr. Speaker, Canada's first co-operative housing program was introduced in 1973 under a Liberal government.

In 1986 this government promised to produce 5,000 units of co-op housing a year. This goal was never achieved. Instead, under a Conservative government the number of co-op units constructed has declined and funding for the program has been in jeopardy for the last two years.

Funding for the 1992 program was no different. After extensive lobbying the minister of state for housing announced on December 17, 1991 that the funding for co-op housing would be renewed with a budget of $6.1 million.

As recently as February 19, less than a week before the budget was introduced in this House, the same minister confirmed in writing that the co–op housing budget was secure. Based on his assurances co–op housing groups across the country proceeded with the development of co–op proposals.

In an attempt to justify this broken promise the government is claiming that the co–op housing program is not targeted to those in need of affordable housing. On March 11, 1992, the Minister of Finance criticized the co–op housing program and I quote:

> How is it that it is well targeted when 50 per cent of those who occupy these units are not in effect qualified under the provisions of social housing?

The minister is revealing his ignorance of the co–op housing program. He is correct when he states that 50 per cent of those who occupy co–op housing units are not qualified for social housing.

What he failed to acknowledge is that this same 50 per cent of occupants pay market rents for their co–ops. These units are not subsidized by the government. It is the other 50 per cent that the funding is targeted to.

This statement by the Minister of Finance also contradicts his own colleague, the Minister of State for Housing, who said in his December press release that the co–op housing program is targeted. I quote:

> The revised program will make more effective use of scarce dollars ensuring federal subsidies are fully directed towards a mix of low– and moderate–income families.

These statements prove that while the government was praising that co–op housing program a few months ago, now the Minister of Finance is making excuses for eliminating the successful and cost effective program. It appears this government is willing to alter its conclusion of a program in order to justify its rash decisions.

In his March 11 comments the Minister of Finance also stated that the government had done enough to stimulate housing through its introduction of the RRSP for down payments and the 5 per cent down payment. While I applaud the government for introducing these two programs which I have personally been promoting for a year, I must note that these programs help those Canadians who have savings to purchase a home.

Co–ops meet the needs of a different segment of the Canadian population. By eliminating the co–op housing program this government is eliminating a valuable housing program for the lower and middle income families. It provides mixed income communities, not ghetto housing. The elimination of the co–op housing program will also cost 4,400 construction and manufacturing jobs this year alone, adding to the unemployment insurance expenditures.

This government has also progressively eliminated the federal role in housing through the budgetary process, not through the constitutional dialogue. The cancellation of the co–op housing program, a program that is very popular in many Canadian provinces is just another example of this. The termination of the co–op housing program is an abdication of this government's responsibility to provide adequate and affordable shelter to Canadians in a healthy community environment.

There are over 164,000 Canadians who are on a waiting list for co–op housing. Why is this government abandoning these Canadians? The program is cost effective and offers affordable housing and mixed income communities for seniors, single parents, natives, the disabled, and low–income earners.

Will this government keep its commitment to housing groups and provide the $6.1 million for new co–op housing commitments?

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I would like to take the opportunity to respond to the concerns about social housing expenditure and the cancellation of the co–op index linked mortgage program.

Social housing expenditures have been growing and were expected to increase by 5 per cent over the fiscal framework. With the recently announced budget, social housing expenditures have been limited to an average growth of 3 per cent for the next five years. It is the same percentage increase as all government programs are targeted for.

In 1992–93 the actual budget available for new commitments will be $70 million. This will mean that even in these tough economic times CMHC will be able not only to maintain its obligations toward the 650,000 households it now assists, but also to provide assistance for addition-

al households, we expect in the neighbourhood of 28,000 this year.

The federal government assists households in need, especially those in real targeted need across the country, through the social housing program. The government will continue to spend approximately $2 billion annually, which totals over $10 billion in the next five years.

With respect to the termination of the co-op index-linked mortgage program, the moderate income households, which are some of the clients that the program supports, now have more opportunities to access affordable, decent housing in the private market.

The scarce dollars that are available cannot be diverted, I repeat cannot be diverted, from those with greater need. Low income Canadians who cannot access decent, affordable and suitable housing in the private market will continue to be assisted through the ongoing social housing programs.

The federal government will continue to support the 14,800 units which have already been built under the co-op ILM program.

VIOLENCE AGAINST WOMEN

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, on December 6, I asked the acting Minister of Employment and Immigration what was being done to meet the needs of immigrant women in violent situations.

She replied that there are already programs to integrate immigrant women into society. She did not seem to realize how inadequate these programs are in meeting the special needs of immigrant women to encourage them to assert their rights, to become independent and to escape violence.

The government showed its lack of concern for minority women when the recent budget rolled back pay equity in the Public Service, cancelled the Court Challenges Program, indefinitely deferred the Race Relations Foundation, changed the Foreign Domestic Program to exclude many women from developing countries and cut $100 million from the Canadian Jobs Strategy program.

There are few shelters specifically suited to assist immigrant women who need to escape violence. Shelters for mainstream women are inadequately funded with no resources for effective cross-cultural staff training.

Violence against women, particularly against immigrant women, is a multi-faceted problem which requires specific government action. Immigrant women are doubly disadvantaged because of racism and sexism. They suffer abuse in silence because the discrimination in our society keeps them in unsafe and vulnerable situations.

Many immigrant women are sponsored by their husbands under the family class. In order to remain in Canada, their sponsorship must be intact. Therefore, many women who suffer violence in their homes are afraid to speak out or to seek help for fear of jeopardizing their immigration status. They cannot leave and are locked into violent situations and so are their children.

The co-chair of the Canadian Panel on Violence against Women, Pat Marshall, said: "Immigrant and visible minority women often have to leave their communities to escape violence and are cut off from their culture". This is not a realistic alternative for many women since their community is often the only support network they have in Canada.

Their lack of language skills also perpetuates the silence in violent situations. When they cannot speak English or French they are insecure and isolated and afraid to leave an abusive partner. The Minister of Employment and Immigration allocated $200 million to increase access to language training for immigrant women. However, this program excludes most immigrant women since it does not offer training allowances or child care. Immigrant women, like many other women in Canada who are primary caregivers in their households, often lack job opportunities and may not have any income of their own. Without training allowances, this government is offering only false hope for many women who continue to be isolated in violent situations.

• (1810)

The lack of professional accreditation for many immigrant women means that they cannot find employment commensurate with their training and experience.

In addition, this government has not implemented employment equity effectively with targets, timetables and penalties. The Canadian Jobs Strategy program was one of the few training resources available to immigrant women, women who want to enter or re-enter the job market.

With this year's cuts, the government has decreased CJS training by 35 per cent for immigrant women. How can immigrant women escape violence in their homes when they cannot be independent economically and socially?

To end violence against women, we need to eliminate inequalities in every facet of our society. Government action is needed now because it is a matter of survival for many immigrant women and their families. Women who are victims of violence must have full protection and refuge from violent situations.

The Acting Speaker (Mr. DeBlois): I am sorry, but your time has expired.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, this government has made a long-term commitment to ending violence against women. Zero tolerance is the goal. An estimated one-quarter of the total Canada Assistance Plan contributions to the provinces and territories are used to provide support to the victims of family violence.

In 1990-91 that amounted to a substantial sum, about $1.5 billion as total expenditures under the Canada Assistance Plan exceeded $6 billion.

I know that the hon. member for Vancouver East would agree that economic restraint is a necessity for all governments.

Federal contributions to the Canada Assistance Plan are being limited, capped if you will, under the Federal Expenditure Control Plan in only the three most fiscally strong provinces, British Columbia, Alberta and Ontario and to a maximum annual growth rate of 5 per cent per year. This 5 per cent growth is well above the estimated rate of inflation.

I share the hon. member's concern that adequate services be provided to women and their children who have been victims of violence. The $136 million family violence initiative announced last year proposes to expand emergency housing in provinces which have indicated a continuing need to provide emergency temporary shelter. This would provide temporary shelter for approximately 4,000 women and their children in addition to the transition homes already in existence.

Canada is a country which has justly gained a reputation for being one of the most progressive nations in the world in recognizing the extent and seriousness of the problems of violence against women. Even more important, the Government of Canada is taking action on violence against women including the provision of shelters and other services.

SEARCH AND RESCUE

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I will face you this time.

On March 13 I rose in the House and posed a question on the search and rescue facilities based in Yarmouth. The contract runs out on March 31 this year for the search and rescue service. My colleague from South Shore stood up in the House today and presented a petition signed by 14,793 people from the three counties in the southern end of Nova Scotia. Anyone who sails the waters offshore from our villages knows how important it is to have a search and rescue facility. It was important in the past year because 22 lives were saved because this search and rescue facility was in place in Yarmouth, Nova Scotia.

Yesterday there was—you would not say a demonstration— a meeting of 250 to 300 people who came out in bitter cold weather. On the platform along with myself and the member for South Shore, there were politicians from every level of government, municipal, provincial, including a minister from the provincial level.

The provincial minister and his colleague, Mr. Huskilson from Shelburne were there along with the wardens from Yarmouth, Clare and Argyle. No one is saying that this is not an essential service. No one wants to see it go.

It may cost somebody a little bit of time to find the money that is needed to provide such an important service. It is not just for tourists who are perhaps boating or for other people who are using it, it is for our own fishermen who are out there daily in weather conditions that makes it sometimes incredible that they go out there.

I want to just reassure the House that this need is not a frivolous demand by the people in this area. The time is coming, April 1, when the contract will have expired. The minister that day said that an announcement would be given shortly. Speaking to the Minister of Fisheries

and Oceans during a committee last week, he said that the decision was imminent.

The premier of the province has spoken to the Prime Minister. There is another time this week for him to impress upon the Prime Minister how important it is that we retain this. The service is three years old. You cannot give such an important service to people and not keep it going.

The people are becoming dependent on this service. Saving those 22 lives was very important in the last year. That shows how important it is to have that "search light".

We cannot play with the lives. Governments cannot give three years ago, and take it back this year. It is an essential service to have the search and rescue helicopter in Yarmouth.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I want to thank the member for South West Nova for again bringing this to our attention, which she did first on March 13.

As well as informing other members from Nova Scotia, I want to inform the House that at the moment no decision has been taken with regard to the disposition of the Yarmouth helicopter contract. The Department of Fisheries and Oceans and the Department of National Defence are currently reviewing the options to deal with the delivery of search and rescue, and fisheries patrol capabilities in the Yarmouth area.

As you are aware, we have received numerous representations for the continuation of this contract, and in particular, the search and rescue component. The subject of SAR, as you are aware, is a very sensitive and an emotional issue. It is for this reason that we are reviewing all of the options thoroughly.

I trust that in the not too distant future, but that in a matter of days, we will have a decision as to how this will be handled. There has to be that capability for this part of our country on an ongoing basis.

GUN CONTROL

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, on December 5, 1991 this House passed with a large majority Bill C-17, a bill to revise our gun laws and make them more effective.

Royal assent was given to the bill on that date, December 5, 1991. However, the bill has not in fact become law because regulations have not been tabled in the House and the bill has not been proclaimed law by Order in Council.

On December 6, I asked the minister when those regulations would be tabled and when the bill would be proclaimed. Unfortunately she did not give me an answer on that date.

Here it is now three and a half months later and we still do not have this important bill proclaimed and we still do not have the regulations tabled in this House.

The demand and the need for this law were to plug the weaknesses in the existing gun control legislation. That goes back to December 1989 when 14 young women were assassinated by a a single gunman at the Polytechnique Institute in Montreal.

• (1820)

Here I am again today, as I say three and a half months later, asking the government when this important law will be proclaimed and when the regulations will be tabled.

That law, Bill C-17, was not a perfect law but it introduced some very real and good improvements. For example, under that law it will now take 28 days for an applicant to get a firearms acquisition certificate. The delay will give time for the authorities, the police, to investigate the applicant and see if he is a trustworthy person. It also provides for two guarantors or co-signers on the application form.

It goes into other things such as safe storage of weapons and the requirement for a national training program for those who want to use weapons. Of course one of the major gaps in the law is that it did not cover the control of ammunition, and I regret that. But, as I say, what is there represents a very real improvement.

I understand that the delay rests in part with the Canadian Advisory Council on Firearms that is preparing recommendations for the minister with respect to the regulations. I simply want to say this: I hope the regulations that are being prepared by this advisory council are not going to circumvent the wishes of Parliament, because Parliament wanted an effective law.

At the last Gallup poll on this matter in 1991, 80 per cent of Canadians said they wanted tough gun laws. Parliament passed such a law last December. So let's get on with it.

I see the parliamentary secretary here. He served on the committee that heard representations on this matter. I hope he is here to give me some good news today, that he will give me a specific date when we will have this law proclaimed, when we will have the regulations in effect.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, the minister shared the member's pleasure that the firearms control provisions in Bill C–17 received such strong support in the Senate when the bill was given royal assent last December. I am confident that the vast majority of Canadians share her view that this new legislation represents a major step toward enhancing public safety in Canada.

I want to assure all members that the Minister of Justice is most anxious the important regulatory and legislative provisions of this act are proclaimed into force at the earliest possible date.

There are, however, important considerations which must be taken into account before various measures can be implemented. Many millions of Canadians are affected. In order that their considerations are reflected, the advice of the Canadian Advisory Council on Firearms and other groups that have proposed views on this subject will be taken into account. And consultations have taken place with provincial and territorial attorneys general.

Another very important consideration is that we ensure adequate information, materials and strategies have been developed and put in place so that both criminal justice administrators and gun owners are properly informed and aware of the new requirements before they come into effect.

The hon. member has said that the regulations and the legislation must be effective. They also could be summed up in two other words: what is needed is that they be practical and workable.

The government is planning a phased in approach to proclamation dates respecting the firearms provisions. The Minister of Justice will be announcing the actual proclamation date at the earliest possible time.

EMPLOYMENT

Mrs. Diane Marleau (Sudbury): Mr. Speaker, northern Ontario and many other regions in our country are suffering from very high rates of unemployment. Many of these regions have suffered these high rates of unemployment for some time now. As a result they have exhausted UI claims and must rely on social assistance.

In reply to a question I raised in this House on February 11, 1992, the Minister of Employment and Immigration stated: "We have in place programs worth $1.8 billion that allow for the training of the unemployed this year".

While I am aware that there are training programs for the unemployed, these programs do not serve the large numbers of recipients of social assistance. They serve only those who are presently collecting UI benefits. If a recipient of UI benefits applies and is accepted on one of these training programs, even though he has applied at the very end of his time to be receiving UI benefits, it matters not. Once he is accepted into this program, he will go on and receive UI benefits for the duration of the training program.

I have had occasion in my riding recently to be aware of people who missed that deadline by about one week. They had collected UI benefits, they applied for a program and they were accepted one week too late. So there is nothing for them. They cannot access the moneys and so they are totally out of it.

I am very interested in making sure that some of these people do have the training that is needed also for them because the person who did not qualify because he was accepted one week too late into the program is certainly just as much in need of retraining as the one previous. I want to say that all unemployed should enjoy the same access to retraining whether they receive social assistance or UI.

This government may state that allowing all access to retraining under the Unemployment Insurance Act would be too costly, and I would agree that we should be as cost effective as possible, but many agencies are trying and have tried to fill these gaps and help these social assistance recipients to access training. Unfortunately and unwisely in the face of the realities of this situation this government is cutting back dollars for this category of unemployed. I refer now to the cutbacks under the Canadian Jobs Strategy.

This makes me question the government's real commitment to training and retraining. I know of one group in particular which will have difficulty moving forward with a national employability project, a group which has a long history of helping the severely disadvantaged poor, namely the Salvation Army.

There are many reasons for the scarcity of dollars being directed to these severely employment disadvantaged. Not least is the cap on transfer payments to the provinces. This does not allow provinces adequate dollars to deal with the increased numbers of welfare recipients. The municipalities are in the same position. They in turn are faced with increased numbers of welfare recipients. They only have the poor, cash strapped property taxpayer and they are obligated to pay more to just offer the basic necessities of living, let alone retraining.

More training programs are urgently needed for this group across the country.

I ask the government, again, will it consider the issue of funding of employability training programs for those who do not qualify for unemployment insurance? Let us ensure that the growing number of social assistance recipients, casualties of this recession, are fully included in labour force development strategies.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I would like to thank the hon. member. I know her concern is real and, like so many in the House, would like to see more dollars available for many of these programs.

On behalf of the Minister of Employment and Immigration Canada, I am pleased to outline some of the programs available to the unemployed.

As the Minister of Employment and Immigration has already mentioned, in 1991–92 approximately $3 billion was made available to provide training and adjustment programs to Canadian workers and employers. In 1992–93, $3.4 billion, an increase of $300 million, has been allocated for training and adjustment.

In 1991–92, Ontario will receive approximately $821 million in training and adjustment funds. It is expected that a good portion of these moneys will be spent in northern Ontario, in the area that she represents.

Under the Labour Force Development Strategy, which is Canada's blueprint for creating a highly and internationally competitive labour force, new programs have been designed to build on the strengths and successes of the Canadian Jobs Strategy.

Programs like the Employability Improvement Program, with options such as project based training or job opportunities, provide employers with assistance to hire selected candidates.

Last year, more than 600,000 Canadians in all walks of life and all regions, participated in our training and adjustment programs. In the coming year, we expect to help tens of thousands more.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The motion that the House do now adjourn is deemed to be adopted. The House therefore stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 6.30 p.m.

HOUSE OF COMMONS

Tuesday, March 24, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 12 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

PETITIONS

CRIMES OF VIOLENCE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to present a petition today decrying the incidence of violence in our society.

The petition is signed by numerous residents of Kingston and Odessa, Ontario. There is one signature from Oshawa and one from that very fine community of Willowdale, represented so ably in this House by the hon. member for Willowdale.

The petitioners call upon Parliament to amend the Criminal Code of Canada, the Bail Reform Act and the Parole Act in order to ensure that crimes of violence against the person are properly dealt with in the courts.

GOODS AND SERVICES TAX

Hon. Bob Kaplan (York Centre): Mr. Speaker, I rise on behalf of the member for Vancouver Quadra. He has received and asked that this petition be put forward in due form.

There are seven pages of signatures on behalf of the women in his area and others, and men as well, protesting the fact that the GST applies to sanitary napkins.

CRIMES OF VIOLENCE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I rise to present a petition to the House which was prepared and signed by residents of east metropolitan Toronto and area, bringing to the attention of the House increases in the incidences of violent crimes.

The petitioners are asking the House to consider that and also to reform the Criminal Code, the Parole Act and the corrections act so that these serious problems of violence in our society may be addressed directly by the House.

UNEMPLOYMENT INSURANCE ACT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour to present a petition pursuant to Standing Order 36 on behalf of railway employees who were suspended for accidental violation of the Canadian rail operating rules and are presently being unjustly penalized under sections 28 and 30 of the Unemployment Insurance Act.

Therefore, the petitioners are calling upon Parliament to take immediate steps to specify that accidental violation of the Canadian rail operating rules do not constitute employee misconduct under sections 28 and 30 of the Unemployment Insurance Act.

RACIAL DISCRIMINATION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have another petition. The petitioners, again from British Columbia, point out that the sale of lapel buttons depicting a Caucasian male as being in the minority, breeds racial intolerance. This perpetuates racial stereotypes and that practice ought to have no place in a country which prides itself in its multicultural fabric.

The petitioners are urging Parliament to take immediate steps to end this racist initiative.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 206, 220 and 230.

[*Text*]

Question No. 206—**Mr. Gardiner:**

Since 1989, how much money has been spent by or reimbursed by the government for designing logos for the Canada 125 Corporation and (*a*) what companies or individuals received contracts for this work (*b*) what was the amount of each contract (*c*) how many logos were designed and paid for by the Canada 125 Corporation?

Hon. Robert R. de Cotret (Secretary of State of Canada): Since 1989, $71,845 has been spent for designing logos for the Canada 125 Corporation.

(*a*) Publi Studio and Vision 4

(*b*) $18,550 to Publi Studio and $53,295 to Vision 4

(*c*) Two.

Question No. 220—**Mr. Gardiner:**

Are any departments or agencies using the Canada 125 logo for any purpose and, if so, are they paying any fees or other monies for permission to use the logo, and if so, (*a*) how much has been spent by each department or agency today, and (*b*) how much is budgeted for future use?

Hon. Robert R. de Cotret (Secretary of State of Canada): As of February 19, 1992 a total of 49 federal departments and agencies have requested the non-commercial use of the CANADA 125 logo. They have requested the use of the logo for newsletters, various publications, displays, exhibits, envelopes, brochures, banners, posters, et cetera.

The non-commercial use of the CANADA 125 logo is available to all at no charge. No federal department or agency has paid or will be required to pay any fee or other moneys for the use of the CANADA 125 logo.

Question No. 230—**Mr. Young (Acadie—Bathurst):**

Since 1985-86 to 1990-91 inclusive, how many person-years have been eliminated as a result of privatization or other departmental re-organizations where they are no longer counted, but indirectly paid through operations?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Between 1985-86 to 1990-91 inclusive, total person-years controlled by the Treasury Board were reduced by 12,377. Departments and agencies achieved these reductions through a combination of various measures including reorganization, changes in program delivery, discontinuation of activities, contracting out and devolution to other levels of government or Indian bands as in the case of Indian Affairs and Northern Development. The number of person-year reductions associated with each of the different measures adopted by departments/agencies in achieving these reductions is not available.

It should be noted that in determining the reduction of 12,377 person-years for the period 1985-86 to 1990-91, appropriate statistical adjustments were made to authorized levels for all years where person-years were simply decontrolled, as in the case of RCMP uniformed employees in 1986-87. These adjustments permit a consistent comparative analysis of changes over time.

Privatizations in the Crown corporations area account for a reduction of 41,614 employees in the period post 1984-85 to 1990-91 (exclusive of other reductions through efficiency gains). The number of 41,614 applies to number of employees and not person-years.

[*English*]

Mr. Cooper: I ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—NORTH AMERICAN FREE TRADE NEGOTIATIONS

Hon. Roy MacLaren (Etobicoke North) moved:

That this House condemns the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

He said: Mr. Speaker, the motion before us today condemns the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

All those who have followed the debates in the House of Commons in recent weeks and months will be fully aware of the absence of adequate information for the Canadian people about the goals and objectives of this government in the current North American free trade discussions. That situation has arisen despite the fact that the all-party committee of this House has called repeatedly on the government and in the strongest terms to make available information about its purposes in being a participant in the North American free trade negotiations.

The motion before us today must be seen against the background of course of the U.S.-Canada free trade agreement. It is not often in life that one gets a second chance. Fortunately, Canada has been provided with an opportunity to correct some of the shortcomings and inadequacies that are clearly embodied in the free trade agreement during the current Canada-Mexico-United States negotiations.

Only the most sanguine among us would argue that the existing United States-Canada free trade agreement has lived up to its promises, certainly the extravagant promises made by the government in 1988. The government's central justification at that time and subsequently was that secure access had been won in the U.S. market despite the increasing United States protectionism. Since then, however, there has been a whole series of more specific trade disputes, from Honda automobiles to softwood lumber. All of those and others have demonstrated just how tenuous and arbitrary that access to the U.S. market remains. Indeed, those trade disputes have underscored what we in the opposition have claimed all along, namely that the eleventh-hour agreement negotiated by the government was essentially unfinished and seriously flawed.

The shaky dispute settlement mechanism that was embodied in that eleventh-hour agreement was no substitute for a binding agreement between the two countries in such areas as subsidies, countervail and content requirements. Unless a clear definition of the rules of trade were to be established, Canada could not hope to enjoy what it sought in the talks, that is a truly level playing field with the United States.

Likewise, only the most obtuse would argue that this argument has adequately prepared Canada for the free trade agreement, not merely the Mexico-Canada-United States agreement but the U.S.-Canada free trade agreement.

Despite the explicit recommendations of the Macdonald royal commission, among many other studies, virtually no attempt was made by this government to link trade liberalization to a comprehensive program of domestic reform. There is no adjustment assistance programs of the required nature for business or for labour, let alone real social reform.

Those were the initiatives which would have enabled Canadians to help manage the transitions and dislocations which inevitably accompany greater trade liberalization.

Equally, little headway was made by the government in the removal of interprovincial trade barriers, barriers which to this day hinder Canadians from realizing their full potential in export trade. They hinder Canadians in realizing the potential of larger and more effective corporations and more effective employment of our labour force to ensure our entry into not only the United States market but global markets which are becoming so evident a feature of the international landscape.

The government continued to pursue a conflicting domestic agenda. An expansionary fiscal policy was combined, quite perversely in my view, with a tight monetary policy. That is to say Canadian industry was gradually handicapped with high interest rates and an over-valued dollar at the very time that Canadian exports were trying to penetrate the U.S. market. The two policies, fiscal and monetary, were in direct contradiction. On the one hand, the government sought freer trade with the United States, and at the same time pursued a monetary policy which not only resulted in higher interest rates but so drove up the Canadian dollar as to render a good number of Canadian exports to the United States and elsewhere non-competitive.

• (1020)

After the experience of the last three years, one would have thought that by now the government might have learned from its past mistakes. Given the fact that the existing free trade agreement was badly fumbled, one would have thought that the government might have

approached this new round of negotiations with a strategic game plan; one which at a minimum would have set out Canada's national objectives; one which would have outlined how Canada will challenge and exploit a North American free trade agreement; one which would have laid down a concurrent program of domestic adjustment to help Canadian businesses and Canadian workers to compete effectively in the markets to the south and, indeed, on a global basis.

Finally, one might have expected this government to explain to the Canadian people how North American free trade fits into a wider global trade strategy for Canada.

In short, in all these and in other areas Canada is in real need of a collective response to the end of the post war era and the emergence of economic globalization. Unfortunately, no such plan has been brought forward by this government in response to the circumstances of the U.S.-Canada free trade agreement or of the proposed North American free trade agreement.

The best that Canadians have been offered by this government are bald platitudes about how free trade with Mexico naturally will lead to more jobs in Canada, better opportunities for Canadians and greater investment in Canadian industry. This is the same kind of thinking which assumed that a policy of tearing down the walls and rolling back the state will, unaided, ensure growth and prosperity. This abiding faith in the market's invisible hand has not proved sufficient over the past three years and there is certainly no reason to think that it will prove any more adequate today as we face a North American free trade agreement.

For this reason four central points must be addressed by this government:

First, we need a clear and open statement from the government about its specific objectives in the current negotiations. For example, will a subsidies code be part of the trilateral agreement; will the dispute settlement mechanism be comprehensive and binding; will this agreement include an accession clause to open the door to other potential partners in the western hemisphere; and finally, is this government prepared to hold the line against U.S. demands in such areas as culture, telecommunications and investment?

All these questions are being left unanswered. They are pressing and increasingly pressing, but the government makes no effort to explore and develop them with the people of Canada.

Second, we need to develop a national plan for exploiting the opportunities presented by global freer trade. Many sectors of the Canadian economy exhibit the adverse effects of having evolved behind protectionist walls. Those factors that are common to such industries include a reluctance to innovate and upgrade; a failure to reach and expand beyond a domestic market; an increasingly narrow product range, especially in the export sector; and an aversion to foreign and domestic rivalry.

All this suggests that we in Canada need to change our mind-set about global economic integration. At a minimum, we need a domestic economic environment more conducive to export-led growth. We need to identify those sectors where Canada does, or should, enjoy a competitive advantage and focus our collective energies in these areas. We need to encourage Canadian business to form trade consortia, joint ventures, to gain an early foothold in foreign markets including, for example, the Mexican market. Finally, we need to educate Canadian business about foreign markets including, in this case, Mexico, its economic climate, its culture and, of course, its language, by building linkages among our educational institutions and the private sector.

Third, we must respond to the whole adjustment challenge. Canada remains, unfortunately, without a comprehensive adjustment assistance program for business and labour. Although this was a cornerstone of the government's 1988 free trade package, it was a cornerstone that it failed completely to put in place. The government, for its part, argues that there are already adjustment assistance programs in place, well over 200, it tells us, dispersed among the various provincial and federal jurisdictions. Yet, the very existence of these unconnected *ad hoc* programs is an argument for consolidating the system and making it more successful.

More to the point, current unemployment figures, over 1.4 million Canadians out of work or 10.2 per cent of the work force, attest to the failure of these programs to help Canadians to adjust. There can be little doubt that our labour intensive sector, such as textiles, will be

seriously exposed by a North American free trade agreement.

By the same token, there is every indication that our advanced industries could suffer from labour and capital shortages in the very near future. Are we going to wait until the market's so-called invisible hand works its magic or is there something that the government can do to help the economy respond to market signals? The answer, of course, is a massive and determined program of adjustment assistance which this government has singularly and completely failed to provide.

Fourth, we need to develop a global trade strategy without or with the North American free trade agreement. Canada's growing links with Mexico are part and parcel of our growing links with the world economy as a whole. Yet, the present government has done little to address these fundamental trends. A much vaunted Pacific Rim initiative has yet to progress beyond the rhetorical stage. There has been virtually no attempt, public or private, to exploit the major opportunities presented in the European Community in 1992, nor has the government seized the opportunity of the opening up of eastern Europe as a possible trade option for Canada and, more important, as a back door into the European Community.

As far as Latin America is concerned, the government has failed to formulate, let alone implement, a trade strategy except in reaction to the recent United States and Mexican initiatives, not its own trade initiatives, but initiatives forced on it by the United States and Mexico.

This passive approach to globalization raises serious questions about the direction of Canada's trade policy. It is for that reason that we sought in the motion today more information, open and candid discussion with Canadians about the government's goals and objectives in its trade policy.

For example, a strictly continentalist free trade arrangement will, by definition, make Canadian industry even more focused on the United States market and overly susceptible to the fluctuations of the U.S. economy, such as the current United States recession.

Canada's growing trade deficits, the imbalances that we really must correct are with our partners overseas, especially with Asia, not with the United States with which we continue to enjoy a surplus.

• (1030)

The deteriorating competitive position of the U.S. economy, together with a growing ascendancy of Europe and the Pacific Rim, raise serious doubts as to whether North America is still the benchmark against which Canadian industry must measure itself.

Developments in technology and transport are effectively diminishing geographical barriers, especially for the high value added industries of the future such as telecommunications and financial services. This should allow Canada to be part of a global and not merely a continental economy.

Finally, rising protectionist sentiments in the United States together with indications that its first priority is enhanced trade links with the hemisphere—the current Mexico-Canada-U.S. trade negotiations is merely the first step—raises the question of whether Canada is drifting into a U.S. dominated trade bloc and perhaps a new continentalist form of protection, and thus away from the global economy.

These are all serious issues which the government has yet to address. In its failure to offer Canadians a full account of why it is Canada is participating in the North American free trade agreement and what it is that we seek in those negotiations, the government is merely underlining its bankruptcy of policy to cope with the fact that a global trading and investment world has arrived.

We see a reflection of this in the government's current and expensive policy of sending a group of people across the country to consult on its so-called prosperity initiative.

All Canadians know what has to be done. There is no need for another year of consultation with Canadian people to know that adjustment assistance has been a principal failure of this government. It has rolled back the trade barriers in North America with the U.S.-Canada Free Trade Agreement. It now contemplates doing so with regard to Mexico as well and possibly with some

other western hemisphere countries, but it offers no reassurance to the Canadian people, Canadian workers or Canadian business that the necessary changes Canada must undertake as it moves from a resource dominated economy to a value added economy are in place to make that transition and to make it in a way that will assure jobs and affluence for the Canadian people.

The failure of this government has been in its lack of candour and open discussion with the Canadian people about what it is that it seeks in the trade negotiations and in its failure to help Canadians adjust to the challenges presented not only by the two free trade agreements under discussion today but in the current Uruguay round of the GATT that effectively presents many of the same challenges with which these two trade agreements confront Canadians.

There is an essential role for the government to play. There is an active role for the government to play, and it is past time that this government came forward with a comprehensive program to assist Canadians to take full advantage of the globalization of trade and investment which is taking place across the world today.

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I listened with great interest to my colleague berating the present free trade agreement and the proposed North American free trade agreement.

I am quite sure he will agree that the free trade agreement we entered into gave us some special privileges over and above our many other trading countries. He is also aware, I think it was three or four years ago, that the American trade deficit was as high as $175 billion. Again, if my memory serves me right, I believe there were between 300 and 400 pieces of legislation in the United States Congress either to prohibit imports, to limit them, or to put a higher tariff on them or a quota.

It certainly has not turned out as well as Canada wanted, but we are in a much more preferential position than a great many of our trading partners and other trading countries. If the existing one is so bad, why are these countries clamouring, and one might say drooling at the mouth, to try to get the same deal?

My colleague can also rest assured that our government, in working out a deal for the North American free agreement, is certainly not going to give anything away. It is going to be a deal that is acceptable to us and advantageous to us.

I would appreciate the member's comments with respect to the free trade agreement and what the Americans would have done if we had not had that. At the present time we have a special disputes tribunal which gives us an opportunity. I think he will agree that if we did not have that any decision by the United States department of commerce, or whatever it is, would just be a *fait accompli* and we could do nothing about it.

Mr. MacLaren: Mr. Speaker, I am glad to have the government member's assurance that in the Mexico–Canada–U.S. talks nothing the government will do will jeopardize Canadian interests.

The point I want to make is that in seeking a reassurance of Canadian interests in such a discussion it is also incumbent upon the government to match the removal or reduction in trade barriers with a dynamic and comprehensive program of assistance at home.

This government in its commitment to withdraw from the markets, as it would itself term it, has not provided that assistance to Canadians.

On the member's second point with regard to secure access, I would ask him whether he is saying in effect that the bottle is half full or half empty. I cannot think that in the light of the prolonged discussion of the pork issue, and more recently the problems that have arisen over softwood lumber and Honda automobiles or Japanese built automobiles in Canada, he can think that we have in effect secured that access which we were promised we would have within the free trade agreement.

I would suggest to him that the evidence in the case for example of the Honda autos is one where the United States has concluded that by harassing—and I believe that I use the Prime Minister's word—a Japanese company making automobiles in Canada it hopes to ensure that future Japanese or other foreign investment is directed into the United States itself rather than into Canada, or possibly in the North American free trade agreement into Mexico, by demonstrating that if an investment is made in either of those other two countries or particularly in Canada, the harassment will lead the foreign investor to conclude that he might as well have invested directly in the United States in the first instance.

I would suggest that is not an effective and secure access system to the U.S. market. The dispute settlement mechanism is prolonged. It is clumsy. It does not provide in the end for binding decisions unless the two parties have reached prior agreement that the decision will be binding. It does not deal effectively with U. S. countervail as it is called in the business. The effectiveness of how to contain the problems of U.S. reaction to Canadian trade initiatives has not been resolved by this agreement. It is for such reasons that we on this side of the House have called for further discussions with the United States to ensure that those aspects of the agreement which are flawed be identified and resolved.

• (1040)

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, on occasion this Chamber is allowed to be political. I do think that—

Some hon. members: No, no.

Mr. Barrett: I do think that every four years it is expected of us to go back to the people of this country and say honestly and openly what we would do—

An hon. member: We are going five.

Mr. Barrett: You are going five out of fear, five out of fear.

Beyond the Constitution this debate is perhaps the most important debate of any in this country prior to the next federal election. It is therefore incumbent that every party clearly state what its position is on these issues.

The Conservative Party without fail has been consistent in its position, one which I oppose vigorously. That position was vigorously opposed as well by the then leader of the Liberal Party in the last federal election, the right hon. member for Vancouver Quadra. Since that time the Liberal Party, which is now leading in the polls and is expected to stand up and say exactly where it stands on this issue through this speaker and other speakers, has failed to define exactly what its position is.

My question is very clear. Why did they abandon the position of the member for Vancouver Quadra? Why do they spend all their time criticizing the Conservative government by way of nuance, different faces at negotiation, but with exactly the same goals in mind?

There is no doubt that the Liberal Party has adopted the Conservative agenda. It has reinforced the Conservative agenda to the point where one has to ask this question: Why is the United States bullying us now in these areas? It is because the Liberal Party has adopted the same position as the Conservative Party. The Americans see them leading in the polls and there is no official opposition proposal.

That party has abandoned the position of the member for Vancouver Quadra and it owes an explanation to the public of this country as to why it has abandoned that position.

Mr. MacLaren: Mr. Speaker, I am always amused to hear these facetious little sallies from my friend from British Columbia. However I would ask him a couple of questions in response, and then I will try for a moment to put his mind at rest.

If we want to talk about where parties are, where is the New Democratic Party on the question of trade? We have on the one hand the member saying, as I believe he does, that in the highly unlikely event the NDP were the government it would abrogate the free trade agreement immediately and, second, that it would withdraw from the current negotiations with Mexico.

Mr. Barrett: That's right.

Mr. MacLaren: In an interview with *The Financial Post* his leader said: "No, we will not do that. We would in fact renegotiate the U.S.-Canada Free Trade Agreement".

And his colleague from Yorkton—Melville said: "Oh, well, we don't like the GATT any more, and if we were in government", highly unlikely though that might be, "we would withdraw from the GATT".

What planet does this party live on? What planet, what world does the NDP inhabit?

The Acting Speaker (Mr. DeBlois): Order, please. The time for questions or comments has now expired.

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, it is my pleasure to join in the debate on behalf of the government and perhaps to put a few of the issues inherent in this motion in their proper context, but not to intervene and mediate the obvious lovers' quarrel between the two opposition parties.

The member for Etobicoke North makes two points really. One is that there is not enough information about the government's objectives that we have taken to these over-all North American free trade talks. The second is that we have not put in place sufficient adjustment

measures to prepare our own economy and our own people for the impact of a general North American free trade agreement and the impact of changes that are occurring throughout the world.

I will dispel the myth about not enough information, not enough consultation. I will leave it to my other colleagues for the rest of the day to dispel the myth about a lack of preparation and adjustment measures.

My hon. friend is quite right when he says that the magic of old, the invisible hand of Adam Smith and many of the things that we relied upon in the past to regulate the economies of our own countries, of our own jurisdictions and those of the world, that these old rules no longer work. The magic no longer works. Indeed, the economies are very much influenced today by very powerful global forces, forces over which not one single nation, one single powerful jurisdiction as there may be, has any control.

I would like to put in context the background against which we have made some of these decisions, first of all, to enter into a free trade arrangement with the United States and then to quickly respond when we discovered that the Americans were looking to expand these kinds of arrangements south to Mexico to make sure that our own interests would not be adversely affected.

We live in a new age. It is called the technology age or the information age. There are megatrends that sweep around the planet in microseconds, trends that no one has any ability to steer or to influence to any extent. That is the first context. No one will be able to hide, protect or shelter themselves from these forces of which I spoke.

The population of the planet has doubled in the last 150 years. It will double again in the next 75 years. Anyone who is under any illusion that this trend will not have a very profound and very serious impact on the way we do business with one another, the way we rearrange our own lifestyles, our own quality of life, is very naive.

Since our travels to space we have a keener awareness of the fragility of the planet, of the finite resources that we are using. These resources will have to be shared, not with 4.5 billion but perhaps with 7 billion to 9 billion people in just 75 years from now.

Perhaps it is also because of the fact that peace has broken out. There is no longer a major confrontation between the superpowers. This requires major adjustments in the economies of some of the more powerful countries, particularly the United States and the Soviet Union, an economy which was in the main based on defence production.

All of those things will have a very profound impact on the way we do business. It is an impact, as I said, that will come down on us, which will affect us whether or not we stick our heads in the sand. These are trends that have to be responded to, that have to be faced and managed.

As I said earlier, not even the most powerful among us of the nation states has any capacity to control these trends. Capital moves throughout the world without restrictions in seconds.

Investment decisions are made by corporations that are more powerful today in their global context than most nation states in the world. Investment decisions are being made on the grounds of perhaps less stringent environmental and human rights standards in one part of the world as compared to another.

• (1050)

So there is a call for a new world order. It would have been heresy 10 years ago for a president of the most powerful nation on earth, the United States, to admit and to show readiness to surrender much of the sovereignty of the United States to a new world order.

Why is that? The reason is because of the facts that I have mentioned. Not even that most powerful nation on earth has any control over these new developments. No one will be sheltered, no one will be excused from making the tough decisions that have been made in our country to prepare ourselves for these new events.

Perhaps the changes are so profound that even the political institutions, including our own, may well not be suited to cope with these new developments. We have to prepare ourselves for this concept of a new world order, this concept of globalization.

One of the unfortunate features in our system, and it is not just in the British parliamentary system but most traditional political systems of a free market economy, is what the opposition parties see as their role to stop progress. I am not being critical here. It is an inherent

part of our political system. They see it as their role to stop progress at any cost. That is one part of their role. The other part of their role is to lament the fact that there is no progress. That is part of our system and we have to live with that. But I hope the people who look in on some of these debates are fully aware of that.

In developing our own policy and our own strategy, obviously we were inclined to look at the European experience. As we looked around the world we discovered that anywhere free trade has happened things happen quickly and all the developments, in the main, are positive.

In Europe there is the European Economic Community, a consortium or strategic alliance of nations. They fought and killed each other for thousands of years for all kinds of reasons and all of a sudden they have come together to talk about free trade, economic and industrial integration, about a single standard throughout Europe. They go further. They talk about political integration. They are talking about surrendering part of their sovereignty to a larger order, in this case the European Economic Community.

Why would they do this? Well, perhaps they are better students of history and they have a longer history than we have here in our own country. They can think back to the dark ages. Incidentally, countries in eastern Europe tend to relive the Dark Ages by pursuing selfish, parochial interests. Europeans have overcome that and there are good reasons for it. They know that only through that kind of combined strength and by putting aside our parochial interests can we cope with these new trends that are at the same time a bit frightening and daunting. It is human to resist change, particularly such profound changes but of course they are also very, very exciting.

Europeans also know that unless they get their act together, unless they break down the barriers and unless freedom breaks out in eastern Europe there could be an influx of 30 million refugees into the central European space. All of that has to be considered.

It is against that background that this government has established a trade policy and a consultative process that is broader in its scope and deeper in its coverage than has ever been initiated by any government in the history of Canada. That is not an over-statement. It is a consultative process that involves Canadians from all the geographic regions of our country and from all walks of life.

Contrary to what the opposition claims, there have been most extensive consultations. A year before we even considered monitoring and entering into these trade discussions to expand the Canada-U.S. free trade deal to include Mexico, there were discussions with the provinces, labour and business. The SAGITs were reorganized and sectorial discussions and studies were carried out in agriculture, finance and investment. Incidentally these studies were tabled with the standing committee. That happened way back in October of 1980. They have been available publicly for one and one-half years.

Early in 1991 the government published a document entitled "North American Free Trade—Securing Canada's Growth Through Trade". On April 25, 1991, prior to the commencement of the negotiations and our participation in them, the Minister for International Trade spoke at the Financial Post conference. All of us remember that speech where he laid out clearly what our intentions and objectives were in expanding our trade prospects.

After all, it had become apparent at that time that the United States intent was certainly to enter into some kind of an arrangement with the Mexicans. There can be no doubt that all of us, particularly here in this country, would be affected by that.

I am often amused by some of the gloomy predictions that particularly come from the New Democratic Party about how we would be pulled down to the Mexican standards. Our workers, instead of earning $13 an hour would earn $1 an hour and all our environmental protection laws would be scrapped because we would be pulled down to the Mexican standard.

I have two thoughts here. First of all, if that were so and the United States entered into an agreement with Mexico, with Canada sitting on the sidelines, and the United States got pulled down to the Mexican standards, whom would we trade with?

Our auto workers would be eating bark off the trees if the Mexican standards prevailed in the United States. The fact of the matter is, of course, that whenever you have such an arrangement everything polarizes to the highest common denominator.

Mr. Barrett: That is nonsense.

Mr. Oberle: My friend says it is nonsense. I do not know how much he travels. I do not travel that much, but I know that with regard to Portugal, if you had been there 10 years ago and you were to visit Portugal today, you would see what I am talking about.

Mr. Barrett: They have a social charter.

Mr. Oberle: Absolute nonsense. The workers are earning a wage that is equivalent to the standards throughout Europe. The environmental standards have increased and lo and behold, everybody is happier. It was very intelligent the way that it was all planned. The Europeans keep taking in new countries, as they can afford it.

Mr. Barrett: They have a social charter.

Mr. Oberle: They have a social charter, but my hon. friend of course thinks that all the ills would be solved by just writing out a social charter and the very next day everybody would be happy, just like everybody was happy the very next day after we had a human rights charter in the last Constitution. It is not that simple.

These predictions of doom and gloom are just simple nonsense.

We cannot ignore the dangers on the one hand, as I said, and the opportunities on the other that present themselves as we enter into these discussions, and that would have presented themselves if we had not entered into these discussions.

Let us put the North American market in its context. There are 360 million people, the most powerful trading block on earth, with a gross domestic product or an economy that exceeds $6 trillion. Mexico has 85 million to 90 million people who will be added to this trading block. Mexico will be the spring-board to extend our trading arrangements beyond our hemisphere to the south.

Our objectives were clearly spelled out by one of Canada's chief negotiators in a speech on June 3, 1981. He clearly spelled out what the objectives are that he has been told to pursue at the talks. He and his colleagues made 26 major speeches in the country. These are all public documents. Our major objective is the elimination of tariffs, of course. That is the basis of any free trade agreement that is negotiated between any two partners, protecting intellectual property rights, dispute mechanisms, rules of origin, better definitions of rules relating to subsidies, all of these kinds of things, some of which perhaps, as we know today, are a bit weak in the Canada-U.S. arrangement and there is the potential now for us to strengthen those.

• (1100)

Immediately after the launch of the talks on June 12 of last year, situation reports had been issued and published to all stakeholders. Three thousand of these reports have been published. So what is the opposition talking about? As I said, the SAGITs have been reorganized. A broad spectrum of interests have been involved in the negotiations: business, academics, labour, environmental groups.

If the hon. members opposite were really interested in these objectives, they had only to attend the briefings that were organized by the subcommittee on external affairs and international trade. Read any of the many speeches I have mentioned by the minister and the chief negotiator or spend a few minutes pursuing one of the three situation reports that have been published and tabled.

Had they taken any of these initiatives, they would have learned that Canada has five broad objectives in the NAFTA negotiations. I will spell them out just so there can no longer be any doubt. First, barrier free access to Mexico for Canadian goods and services while developing tariff phase out provisions and safeguard mechanisms which reflect Canadian import sensitivities. Second, improved access to the United States markets in such areas as financial services and government procurement. Third, improved conditions under which Canadian business can make strategic alliances with North America to better compete with the Pacific rim and the European Community as well as other parts of the world not so critical. In unity, there is strength and by getting ourselves competitive in our own hemisphere and our own environment here, we will be stronger to approach the markets of the rest of the world, which are so terribly exciting and ensure that Canada remains an attractive site for foreign and domestic investment. That, too, is important. Finally, the establishment and expeditious dispute settlement mechanism.

The record of the government is unequivocal. We consulted with Canadians before we decided to enter the NAFTA negotiations. We have consulted continuously since the negotiations were launched last June. We are continuing to consult on an ongoing basis with the provinces, with the representatives of business and labour, with academics, with environmental interests and with the many Canadians who wish to air their views and have input into these discussions.

We have consulted with our colleagues in the committee to which they have access and in which they really set the agenda.

The objectives of Canada's negotiators have been known for almost a year. The broad consultative process solicits a two-way flow of information.

In short, the motion placed before this House by the opposition does not accurately reflect the facts and it should be withdrawn.

Mr. Speaker, a final word. Instead of condemning the government for having the courage to do some of these things that may perhaps be a bit daunting and frightening, in approaching a path that is still shrouded in the mist of what the future might bring, they should celebrate the fact that we have a government that has a clear fix on the future and is clearly attuned to the horrendous changes and the excitement that is happening throughout the world today.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I have listened carefully to the minister and I want to direct my remarks toward one area of the free trade proposal or policy or agreement. It has to do with that specific area relating to foreign investment.

For many years we have welcomed foreign investment in this country, but when we were the government, we had a review mechanism whereby we would encourage foreign investment.

We would like those foreign investors to not just set up a distribution warehouse and sell their products when they come to this country. We would like them to set up a manufacturing operation so we would not be just hamburger flippers. We would have some skilled jobs for our people.

We would ask foreign investors to put some of their money into research and development so we could develop innovative products in Canada. That system worked for years and years. We built up a manufacturing base in this country to rival anything in the world.

When this free trade agreement came along, it was basically written into the agreement that we would take unlimited foreign investment, but it would also be unfettered foreign investment. In other words there would no longer be any conditions attached to investing in this nation.

As a result of that aspect of the free trade agreement, numerous companies have basically shut down their manufacturing here. They have used their offices here basically as distribution houses, warehouses and sales agencies. Does the minister think that specific chapter of the free trade agreement is working the way it was originally designed? If companies withdraw their manufacturing, they are certainly not going to do R and D. Does he not agree there is some room to review that aspect of the free trade agreement?

Mr. Oberle: Mr. Speaker, if he used the standard of perfection to assess the early stages of the implementation of the Canada-U.S. Free Trade Agreement, I suppose my hon. friend is right.

The agreement is not perfect. There is room for improvement. As I have pointed out in my speech, there is now an opportunity to make these improvements. At the same time I would also point out to my friend—as is the case in all such cases, particularly if you study the European experience—these agreements bring with them the need to adjust and restructure our own economy. Strengths have to be built upon and we must have the courage to de-emphasize those areas where we just cannot be as competitive as we would like to be in a new trade environment and in the markets.

It has been the tradition in our country in the past to protect an industry in trouble usually with government grants and handouts. You keep it artificially alive. I readily confess to my friend who supports the previous government and its policies that the forest products industry for which I am responsible is undergoing a very serious period of adjustment and restructuring. It has to happen not just because of the agreement with the

United States, but because of this concept of globalization.

In the early 1980s during a period of recession, his government opted for a pulp mill modernization program. One half billion dollars were spent propping up companies and plants that had really outlived their usefulness. You cannot make a 50-year-old paper machine compete in today's market and technology. It would be like trying to make a space shuttle out of a DC-3. If the government had the courage to face those necessary adjustments at the time, the industry today would not be in the situation it is in.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I must say I am somewhat disappointed in the minister's words. He is talking about the Dark Ages and his words were written for him, I would presume, by the office of the Minister for International Trade.

• (1110)

We on this side of the House brought this opposition day forward to give the government an opportunity to explain to Canadians what it was doing in this deal. I must say I have all these studies and reports the government put out. I must tell you they do not tell Canadians a heck of a lot about what is going on in these negotiations.

Today's *Toronto Star* reported: "Leaked document reveals massive three-way trade deal". I was at all the briefings with the Minister for International Trade when he came to the parliamentary committee. I was at the committee hearings. Quite frankly, we did not hear a lot of the answers.

We did not hear what the costs and benefits would be to Canada. We did not hear whether or not the government would sign a deal that did not have a dispute settlement mechanism. We did not hear that the government may withdraw a snap-back provision.

We did hear in these reports that horticulture in Canada was in danger of disappearing under this deal. I wonder where the Minister for International Trade is. Why is this minister here speaking on behalf of the government if he does not have the answers to all these questions?

Mr. Oberle: It was not the Minister for International Trade who chose this particular topic for today's opposition debate and motion.

The minister is away on very important business. If the opposition were really interested in having the minister here, someone could probably have telephoned his office to determine whether he would be available today.

I would also like to tell him that nobody ever writes my speeches, ever. I write my own speeches, and in fact I pride myself in doing it. That is why they are sexist.

I do want to say, in fairness to my friend, I am pleased at least one of the opposition members has read some of the reports and has attended some of the meetings. I have a message for my hon. friend from Etobicoke North who said there has been no information out there. Perhaps he can consult with his colleague and avail himself of the reports and discussions out there.

When you enter into negotiations, of course you cannot predict with an absolute degree of certainty what will come out at the end. There is always compromise, give and take. All I can tell my hon. friend in terms of certainty is that no agreement will be signed unless it is beneficial to Canada.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I listened with interest to my colleague from British Columbia and his points of view with respect to this opposition day motion.

I do not know if the hon. member had the opportunity to read *Business Week* magazine, a U.S. weekly. It discussed the very issue of trade between United States and Mexico. It highlighted the auto industry in this particular article, and I would urge everybody in this House to read it.

Many U.S. companies are now moving to Mexico in a significant way. This article compared the wages and quality of work of an individual working in a Mexican plant for Chrysler with an auto worker in Detroit. The Mexican worker received $87 per week to weld an automobile, while the worker in Detroit received $16 an hour.

We can no longer argue that Mexico is incapable of producing a high quality automobile. In negotiating any kind of trade agreement, is there not somewhat of a danger that the manufacturing industries we have devel-

oped in this country, including the auto industry, may move to Mexico?

Mercedes-Benz is contemplating building a plant in Mexico because it believes Mexicans are as capable as anyone of producing a quality automobile. I only wonder because if we go into this trade—

The Acting Speaker (Mr. DeBlois): Order, please. The period has now expired, but I will give one minute to the minister.

Mr. Oberle: We have to be so concerned about precisely that. We were concerned when the news first reached us that there were definite intentions to develop an agreement between the United States and Mexico. For us to sit on the sidelines would have been folly at the extreme. What impact would such an agreement have on our automotive industry, our energy sector, our forestry sector, and the other manufacturing sectors?

We need to be part of this thing. In the first instance we need to monitor what is happening and participate very effectively when the opportunity arises. We will be affected by any kind of an arrangement anywhere in the world, and particularly by what is contemplated between the United States and Mexico.

It is very critical for us to be part of the negotiations and part of the deal, if there is one.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I would like to answer the question addressed to the minister by my friend from Manitoba, the art expert.

The member from Manitoba very clearly sees a significant problem here. We are going to enter into an agreement with a low-wage partner without any social contract such as the one that exists in Europe relevant to worker safety, health care and the environment. That is number one.

Number two, the member has clearly shown an area of concern where the United States is already bullying us. The Honda decision we are struggling with now is over content. This is the harbinger of exactly the kind of pressure the Canadian market will get if we sign the NAFTA without identifying the rules of origin as well as who owns the existing plants once the deal is signed.

The Japanese or Koreans have been enticed to invest partly in the automobile industry here in Canada. There is nothing in this draft agreement to stop them from closing down their factories here once the NAFTA is signed, moving to Mexico and having access to their market under the proposed agreement.

The auto pact is being assaulted daily by the United States—I did not interrupt the minister but I am glad he is interrupting me because he is beginning to understand the United States' pattern of behaviour on this issue. The Honda ruling itself is a signal to other investors offshore that if they come to Canada they will be bullied by the United States, so they should move to either the United States or Mexico.

Why do I say that? Because it is the existing pattern.

I want to further point out to the member that if this agreement had a basic salary component so a low-wage partner would be forced within a time frame to reach the same level as the United States and Canada, massive reinvestment of capital would not be taking place.

Again, I want to give him a specific example. In its recent announcement of closure of plants in the United States and Canada, General Motors also gave a tacit indication of where it is headed. It is headed to Mexico. The Moraine engine plant has closed down. It is going to Mexico and the Mexicans are efficient, capable production workers just as we are in Canada and the United States.

I want to warn the House this member has touched a nerve that is exactly the crux of these questions and he has a perfect right to question the minister. The bottom question is why in the world are there no adjunct discussions about the environment, health and safety, and wages?

You have a perfect question, and that is the question you will find in your constituency when you go home. Canadian people are not stupid. They have to make a political decision about who is at the helm of the ship of this nation. They are disappointed in this government. You are suffering, as you know Mr. Member, at 11 per cent in the polls, but the Canadian people are even more disappointed in the official opposition. It has fallen into the trap of saying it will do the same thing as the Tories only better, without demanding a restructuring.

• (1120)

I delivered myself of those comments by way of thanking that member for his intervention.

I want to correct the record on two accounts before I go into my main discussion. First of all, for the member of the Liberal Party who wanted to know the official position of the New Democratic Party, I read this letter of December 3, 1991, into the record.

To the editor of the *Financial Post*, 333 King Street, Toronto, Ontario:

Dear Editor:

In your October 26th edition you publish extracts from a lengthy and wide-ranging interview between myself and Diane Francis. On page 1 of the same issue, Ms. Francis draws some conclusions from the interview, among them that the New Democrats have softened their position on the free trade agreement. This conclusion is not accurate. Our party continues to oppose the deal and maintains the position that it ought to be abrogated.

She goes on to say "in six months", and that's our position.

I know that the member will now correct his impression because he is aware that newspapers make mistakes, sometimes even mistakes with the Liberal party.

Here is the position, here is the letter. At the end of my speech I will table this letter so that the member will not be succumbing to the temptation to repeat a canard that is not of whole cloth.

I do want to go on to the Liberal's position and I want to deal with it. On October 22, 1991 my colleague from Burnaby—Kingsway, in an opposition day debate, moved a motion which included the words "that this House urge the government to discontinue immediately Canadian participation in the Canada-United States-Mexico free trade negotiations".

A subamendment was moved by the Liberal Party to that motion eliminating that particular section of our motion about the Canada-U.S. Free Trade Agreement, and the Liberals actually voted against a very motion similar to the one, not exactly the same, as we are discussing today.

Mr. Dingwall: That's stretching it.

Mr. Barrett: Shocked, Mr. Speaker? Well, stretching it, all right.

All right, let us get it straight. We are the only party on record that says we will abrogate the free trade agreement and we are opposed to the current discussions with Canada, the U.S. and Mexico. Let us put that straight.

Mr. Mills: What about your leader's position?

Mr. MacLaren: What about withdrawing from the GATT?

Mr. Barrett: Mr. Speaker, I know I cannot use props but if I could I would hold this up and point to the Liberals' action on our motion. But I will not violate the rules of this House.

Mr. Dingwall: What a distortion.

Mr. Barrett: I read the letter. I will send you a copy and I will table a copy to the House as well. Here is her letter and here is our position, and I will send you an autographed copy because I know you will treasure it.

I want to address myself to a number of areas that are of deep concern to the New Democratic Party.

Number one, I want to say that it is, in my opinion, the responsibility of the Official Opposition to make itself clear so that we stop being bullied by the United States. I believe that because the Liberals have softened their position they have given the Americans a home run and they are taking it. With the Liberals now leading in the polls, and the Americans knowing they have taken a foolish position of renegotiating the deal, they can bully all they want because it won't matter whether the Liberals are in power or the Tories are in power.

I do not believe that the Liberals understand exactly what they have done by saying they will renegotiate. They have not thought that position through. It will take five years to renegotiate the existing FTA. Five years, Mr. Speaker. In that time all the damage that has been done will be totally finalized and there won't be anything left to renegotiate.

The Americans also have a different political system. It is not simply a matter of renegotiating with the President and his cabinet, or the executive. That is one step. Once you are through there then you have got to go to Congress and they will take their pound of flesh; then you have to go to the Senate and they will take their pound of flesh. The Liberal position is a recipe for disaster, compounding what is wrong over here. That is why their former leader, the right hon. member for Vancouver Quadra, who understood the American system, who understood American politics, said that if the Liberal Party were elected they would abrogate. People voted for the Liberal party in the last federal election for that abrogation position and let no voter be misunderstood when they demand that position again. Renegotiation by the Liberals is, in fact, a just endorsation of what

the Tories have done. There is no other position that can be taken to deal with this issue.

We did have a fundamental difference in committee. The Liberals put a minority report in, and I have a copy here, which opens by saying in effect that we have to be at the table. Then they go on to say: "We would like this, we would like this and we would like this". It is a naive position that their caucus succumbed to for whatever reason. Nonetheless, I was forced much to my regret to put in a detailed, in depth criticism and non-support of the government's position on behalf of my party.

Two of the things I quoted in my minority report need to be repeated in this debate. They are quotes from the leader of the opposition in Mexico, whom many people suggest won the election as Mr. Salinas did win by fraud, as attested to by international observers. By the way, we are dealing with a country that has a violation of human rights that does not meet the standards of the Prime Minister. Even the Liberals acknowledge that. They included that in their amendment to our motion last October.

The Mexican government is harbouring within its system human rights abuses that are without parallel in North America. Over 80 social activists, church activists, religious community activists and trade unionists have been murdered under the Salinas government administration when they made an attempt to rectify unjust labour conditions, horrible environmental conditions and the kind of usury that is taking place in terms of loans for those people in Mexico.

Here is what the leader of the official opposition said, Cuauhtemoc Cardenas, the son of the most famous President in Mexican history, a name that rings with pride throughout all of Mexico and I quote what he said in a speech in Vancouver.

Referring to the United States he said: "Their free trade agenda is simple and narrow. Mexico will sell its cheap labour in order to attract foreign capital while in turn will guarantee the survival of one of the last remaining authoritarian political systems in Latin America".

If this government believed the words of the Prime Minister of this country, we would immediately walk out of those negotiations. Are the words of the Prime Minister hollow about his commitment to human rights? In my opinion, in this instance they certainly are, as documented by Amnesty International.

What is the alternative? I go on to quote Mr. Cardenas: "We maintain that trade must be seen as an investment of development and that a new kind of development model must be at the core of any continental trade negotiations".

I also quote: "We believe that an alternative agreement should include a social charter and be based on common standards for labour, social and environmental rights".

Is there anyone in this House who is opposed to that? The Liberals would not be. The Conservative backbenchers would not be. It is only the intransigence of this government's negotiation position by the Prime Minister and the Secretary of State for External Affairs that excludes standards for labour, social and environmental rights.

Is this House aware of the incidents of foetal deformity in Brownsville, Texas, as a direct result of the lack of pollution control standards just across the border in the Maquiladora program?

This government spent $50 million on the external affairs committee and services of the committee. It was not enough. A great deal of work has to be done, but not one penny was spent on committee members to go down and see the Maquiladora in Mexico. Not one cent.

We have gone to Russia and solved all the problems in Russia and left the mess for Boris Yeltsin to clean up. We have gone to Czechoslovakia and solved their problems. There are a few left there. We will probably be going other places in the world, as we must go, but not one trip to the Maquiladora to see the horror of what is happening to children and women in those working conditions that Canadians are being asked to compete with under the NAFTA agreement.

There is not one constituency in this country that would stand for the working conditions that exist in the Maquiladora program and not one member of Parliament, regardless of party, would support those kinds of working conditions if they existed in Canada. Yet this government insists on signing an agreement with a country that abuses children on these jobs, that has no

health and safety standards and, as far as environmental standards, not one vote would be given to anybody in this House if they supported those in this country, and yet this government wants to sit at the table with Mexico.

• (1130)

Send the committee, it will not do it. Send members of the committee, it will not do it. To my knowledge, I am the only member of this Chamber who has gone to Mexico, met with senators and discussed with them the problems that they are faced with.

Mr. Speller: That is not true.

Mr. Barrett: To my knowledge.

An hon. member: It could be limited.

Mr. Barrett: It may be limited on this subject, but certainly the committee. I would welcome those who have done the same as I have to stand up and tell this House what they have seen, what they have heard and why they would then be opposed to this agreement.

This government is driven by a corporate, colonialist agenda that has no place in a modern society. The Liberal Party is just as much at fault as the government is on the North American free trade agreement. The only clear position that should be taken on this issue is to walk away from the table, start all over from square one and let the people of this country know exactly where we stand.

Mr. Dingwall: Did Bob White tell you that?

Mr. Barrett: One last comment to my very good friend from British Columbia, who has served that province earnestly and with dedication all these years. Despite a disagreement of philosophy, I have admiration for his public service to my province of British Columbia. During his own speech, the member who is the Minister of Forestry said that it was difficult to get Canadian industries and pulp and paper to upgrade their equipment.

The minister spoke specifically about upgrading paper-making machines. I submit to you, Mr. Speaker, and through you to that minister, that one of the reasons for the delay in capital upgrading of paper-making in this country is tied in directly with the long-term goal of moving peeler logs and chips down the coast into Mexico and closing our own pulp and paper plants because the environmental standards, the capital costs and labour costs in Mexico are zero compared to what is the case here in Canada.

If one is to believe the document that is quoted today in *The Toronto Star*, one is to accept the fact there is an agreement on intercontinental transportation that would eliminate any barrier whatsoever on the moving of chips, pulp and peeler logs. Pulp can move now, but chips and peeler logs would go.

The provinces have the right to control the export of logs. Why was the question of whole logs thrown in with the softwood decision? It is my opinion that the United States is attempting to lever this government into a position of dropping the 14.5 per cent tariff on softwood if the government takes away the right of the provinces to control the export of peeler logs and chips. Far-fetched, Mr. Speaker? Not at all.

Louisiana Pacific, a major forest company in the United States, within the last two years has closed down its sawmill in northern California, relocated it lock, stock and barrel into Ensenata, Mexico and has moved every single one of its publicly granted logs in its redwood forest holus-bolus down to be processed in Mexico. Louisiana Pacific is again in the front line of the same kind of moves.

I hate to make these kinds of predictions. It is not because it is malice on this government's side. You have a choice between stupidity and cupidity. Because of the goodness in my heart I prefer to take the word stupidity rather than cupidity. That is the reality. The Liberals failed the people of this country after John Turner left. This government has had open ground to go wherever it wants. I am telling you that in New Brunswick, in the maritimes, Quebec, Ontario and British Columbia, every single long-term job that is affected by peeler logs, chips and pulp is threatened by moving to Mexico.

Mr. Dingwall: You don't know your history.

Mr. Barrett: My dear friend says I do not know my history. It is because I read history that I discovered the sell-out that is taking place in this country.

An hon. member: Ancient history.

Mr. Barrett: Yes, Mr. Speaker, and my last word is that I would advise my Liberal friends in this government to read the works of Professor Harley Shaiken of the University of California, San Diego.

Mr. Shaiken, who is an expert in communications and trade with Mexico and the United States, has written a thorough examination of the impact of the Maquiladora plants on the Ford Escort and the Volkswagen Jetta, both imported into this country from Mexico, high quality workmanship, high quality performance by those automobiles, the automobile workers getting one-fifth of the wage that comparable Canadian auto workers get in Quebec and Ontario. This is a sell-out and this government is too stupid to understand it. And the Liberals think that by going back on the fence they can win an election.

I say this. Let the election be called on this issue. Let the people of this country decide. Not the smoke and mirrors in this Chamber, but let the people of this country decide who is fighting for the working people, who is fighting for Canadian sovereignty. It is not the government and tragically it is not the Liberals. We are left alone in the struggle but we intend to maintain it.

Mr. Speaker, if you will let me put my amendment, I move:

> That the motion be amended by adding the following words:
>
> and therefore call upon the government to withdraw from the negotiations.

The Acting Speaker (Mr. DeBlois): Questions or comments, the hon. Minister of Forestry.

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I just want to very briefly reciprocate my hon. friend's generous comments about my public service. I have no less respect and admiration for his exemplary service to the people of my province and the people of Canada.

In fact, in this whole debate there is very little difference in the kind of concern that my hon. friend and I share, except of course to say that he perhaps thinks he has a monopoly on virtue, concern and compassion for the people of Mexico.

Let me ask my hon. friend: Would it be better for the Mexican people, for the people of the Maquiladora region, if the car plant had not gone there, if instead of getting one-third of the wage of the Canadian worker they would get no wage at all as they used to? Would that be the better solution? Would it be the better solution to just build a fence around Mexico and shut them out because they are too poor themselves to afford the environmental standards that our industry has paid for and built, because they are too poor to get access to a job?

Or would it be better for the workers of Mexico to have the borders thrown open and to give them access to the prosperity that we have enjoyed through a free market economy, through private enterprise? Perhaps the one-third of the wage that a worker in the Maquiladora region earns right now, in five years from now, will be one-half and I predict 10 years from now it will be equal to that of the Canadian worker.

My friend really does not have compassion for the people in Mexico and for other poor regions of the world. His compassion is with the Canadian unions. That is who writes the policy for the New Democratic Party. They are the Luddites of another age. They are the people who build a wall around our country and say: "Everybody in the world has to buy everything we can produce, but don't you dare import something that may require us to compete". That is the philosophy of my friend. Despite all my respect for him, it is terribly misguided.

The Acting Speaker (Mr. DeBlois): Before giving the floor to the hon. member, I will take under advisement the amendment moved by the hon. member but it would be appreciated if he would indicate to the Chair the seconder of that motion.

Mr. Barrett: The member for Kamloops, Mr. Speaker.

I welcome the questions raised by my good friend. It is a rare opportunity that my good friend from British Columbia and I have this exchange in the House. I welcome it based on his sincerity and my position defined by him to see whether or not it is sincere.

I refer the minister to what the leader of the opposition in Mexico said, and I repeat:

> We maintain that trade must be seen as an instrument of development and that a new kind of developmental model must be at the core of any continental trade negotiations— We believe that an alternative agreement should include a social charter and be based on common standards for labour, social and environmental rights. Likewise a continental pact of this nature would strengthen our internal struggle for democracy and propitiate a significant improvement in the situation of human rights of Mexicans.

• (1140)

This is a Mexican politician who is making this appeal and he has to make an appeal for votes. If the simplistic view of the minister is all that would prevail in Mexico,

then the leader of the opposition would not even be elected.

There is an alternative to what this government is entering into. You do not have to accept any single deal that is placed on the table. That is what I am afraid this government has done. It has not done its homework. It has never displayed any impact studies, sector by sector. Where are they? I asked the minister in this House to table the impact studies and I never got them. I never even got an answer.

Furthermore, when you go to a table to negotiate, you negotiate from your strengths. No one would deny the right of Mexicans or Central Americans or South Americans to participate in a self-driven international new global economy where dignity and respect for sovereignty is what is the first condition.

That applies to us. When it is suggested that I am saying that a wall should be put up around Canada, I do defend the right of the province of British Columbia to control the export of whole logs. If the minister feels that that right should be dispensed with then that means the capital investment we desire and have shepherded in British Columbia, both public and private, because remember, those forests are God-given to the people of this country, not planted by the Conservative Party, not by the Liberal Party, not by the New Democratic Party. None of us can be sanctimonious about God's work, but we have a responsibility to be prudent in dealing with those resources that were God-given.

Why would we agree to ship out whole logs and peeler logs and chips?

An hon. member: We are not.

Mr. Barrett: My dear friend, that is the pressure that is coming. Those are the kinds of barriers that this minister is suggesting we have to drop in the new global economy. I tell you this. The record of this government indicates to me that it has no national philosophy on energy, oil, natural gas, forest products, all the way down the line. That is what we are defending. That is what Mexico is defending. We should not be reduced to their standards. We should join the fight to bring them up to ours.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I have to say to the hon. member that I do not feel verbosity really does anything for this debate. I have been involved with the hon. member in this issue for a couple of years now. In fact, I have been to Mexico to talk to Mexican senators about it and I do understand the dangers of going into an agreement like this.

Quite frankly, I would like to ask the hon. member, who spent most of his time attacking my party on this issue, where he was during the last election and where his party was during the last election. As I was out on the campaign trail fighting for Canada, fighting for Canadian sovereignty, his party was somewhat quiet on the whole issue of free trade.

I would say to him that the only reason we have a free trade deal today is because his party spent all its time attacking our former leader, the right hon. member for Vancouver Quadra, instead of attacking the free trade deal. Those are the facts.

I want to ask the hon. member this quite honestly because we in this party have taken a serious look at it. We realize the position we are in, being in opposition. Quite frankly, although I do agree that there are major flaws in such an agreement and there are dangers in such an agreement, I do have to say I agree with my party that we have to be at the table.

We have to be at the table because this government did not put in a position last time in the free trade deal that allowed this mess to happen. It did not put in an extension clause, so any government in the world that wants to come into free trade can now come into it. We have to be there to renegotiate it all.

I ask the hon. member, knowing what he does about this deal, how can he say that we cannot be at the table? How are we going to protect Canadian farmers? How are we going to protect Canadian workers?

Mr. Barrett: Mr. Speaker, who is at the table? Not the Liberal Party. Who is at the table? Not the New Democrats. Who is at the table is this government and its agenda. Its agenda excludes the very things that you say should be included. Why in the world would you support its position on negotiations and then turn around and say that we may have to renegotiate?

The order of the day, my dear friend, is to say that we want no part and parcel with this government that is so stupid that it has not even included the subjects you raise.

If the Liberal Party were at the table that would be one thing. If the New Democrats were at the table that would be another, but do you trust this government? Are you asking me to trust this government?

Furthermore, on the suggestion of the attack of your leader I think it is well known and I want to reiterate it. I make no apologies for the fact that the right hon. member for Vancouver Quadra and I are very close personal friends. We have an agreement: I will never vote for him and he will never vote for me. But we are good friends and I ask the member to show anywhere in the record where I attacked him.

As for my own role in the free trade debate, I said consistently "praise for John Turner" even in my own election campaign as I supported my own leader, Ed Broadbent. I will show the member where I said publicly how much I admired John Turner's position. Not many politicians can do that.

I am at the stage of politics where I can do that. I came out of retirement because of this issue. So do not suggest to me that I attacked John Turner or the Liberal position.

I want to tell you in conclusion that the Liberal's position is mistaken, absolutely mistaken. It gives succour and comfort to all of the forces that are out there supporting this agreement.

The Acting Speaker (Mr. DeBlois): Order, please. The time for questions or comments has now expired. Resuming debate, the hon. member for Lambton—Middlesex.

I would appreciate it if he would indicate to the Chair whether he has split his time with another member.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I will be sharing my time with the hon. member for York North.

I think it is a very appropriate time to have an opposition day on this topic. I want to commend my colleague from Etobicoke North for the motion he put forward, the motion that this House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

I listened intently to the member for Esquimalt—Juan de Fuca and I hope that they will realize now that it is the government that is the target in these negotiations. They are the ones that are doing the negotiating. It is not the Liberal Party and I hope they will not make the same mistake again as was made in 1988 when their leader attacked the Liberal Party because we were ahead in the polls at the time. Of course they were desperately trying to grasp on to straws like a drowning person to maintain their place as one of the opposition parties in the House of Commons.

The negotiations that are being conducted at the present time are similar to the Canada-U.S. Free Trade Agreement. This government is not telling Canadians what it is getting them into because the government itself does not know because it has not done its homework prior to these negotiations.

For example, I just want to give you the fact that in the Canada-U.S. Free Trade Agreement it was not until this past month that the Minister of Agriculture finally got a handle on what subsidies and supports are received by United States farmers and food processors. A working paper was published entitled "Assistance Programs for U.S. Agriculture and Food Processors".

It is well known that the U.S. farmers, particularly grain farmers, get about a third to one-half of their income from government subsidies. Yet this government did not pause to look into this. It is only after the fact that it has become known. Now we look at the hardship being inflicted on Canadian farmers and the millions and millions of dollars in subsidies we have had to pay out to them to even remain in business.

The study states the main purpose was to provide information which might be useful in the development of rules for the use of government subsidies as envisaged in the Canada-U.S. trade agreement. Yet this study was published three years after the agreement came into effect. The study was not even commissioned until after the free trade agreement was signed.

• (1150)

Is this how one negotiates with a stronger adversary, by waiting until after the ink on the contract is dry before investigating the strengths and weaknesses of one's adversary?

I would suggest not. I am appalled at what has happened since that trade agreement came into effect. Some 49 food processing plants in Ontario were closed, 83 across Canada, and thousands upon thousands of jobs were lost, jobs that have moved south of the border and now may even move farther south.

It is evident that the government has not been master of its own timetable. Canada has responded to an accelerated agenda largely set by Mexico and the United States. This has contributed to a situation where the government has not only failed to consult the Canadian people and the Official Opposition but has also failed to provide a clear and thorough analysis of the conditions that Canada has placed on its participation, what substantive goals it seeks, and how it proposes to reach those goals.

When this government plays to the corporate agenda it makes a mockery out of this parliamentary system and of the democratic process itself.

There are several areas that I am deeply concerned about as associate critic for trade and associate critic for agriculture. Our premise is that the free trade agreement really ignores the reality of the agricultural geography of North America. Our contention is that with respect to agriculture the free trade agreement is fatally flawed. The reality of Canadian and U.S. agriculture is such that a level playing field is an impossibility. Mother nature dictates that. Furthermore, it is an attempt to impose a model solution that will ultimately undermine the vitality of our industry in Canada.

There are three basic contradictions in the assumptions of the free trade agreement. The first contradiction applies to a more open and secure export market. Canadian agriculture is based on an inherently inferior physical base which plays the major role in reducing over-all productivity by as much as 50 per cent compared to the U.S.

The second is in respect to the protection of domestic production under supply management. While it is true these arrangements are presently sanctioned under article XI(c) of the GATT, they are clearly trade distorting in the bilateral context of the free trade agreement. It is the free trade agreement that is putting pressure on the GATT. If in fact article XI(2)(c) is not maintained, enhanced and clearly spelled out, this will lead to the demise of the poultry and dairy sector in Canada.

Considered together these lead to the conclusion that the free trade agreement will amplify the inherent distinction between the two systems and tend to erode the evolved ones such that Canadian agriculture may not only be less discrete but may decline to become merely the extensive margins of a North American system.

In Canada, 2 per cent of our crop land falls in the highest thermal category versus 81 per cent in the United States. Some 24 per cent of our crop land falls into the adequate moisture category versus 57 per cent in the United States. I submit this translates into a startling situation whereby the United States alone has 130 times the crop land in optimal agroclimatic conditions than Canada has.

Now the government adds a new dimension that allows for us to compete against a nation that does not have the same standard as we do. DDT is still used in Mexico. It has been banned in Canada for many years. There are many other chemicals, pesticides and herbicides we are not allowed to use here in Canada. When they are banned in Canada it means that we have a zero tolerance level. Is it the same for our imported foods? I suggest not. Our regulations indicate that we have minimum levels of standards that allow products into this country produced under conditions entirely different from what we have in Canada.

We had to read about this agreement in *The Toronto Star* this morning. I had a sneak preview last week in a small newspaper out of Michigan headlined "The opposition to Mexican free trade grows". It spells it out very clearly. Of course *The Toronto Star* this morning told Canadian people exactly what was happening. It is very evident when I mention the number of food processing plants that closed in Canada.

I want to just go on a little further. The relocation of U.S. food processors in Mexico always disrupts the lives of American workers. Many Americans who have worked in the food industry have lost their jobs and have received no compensation or retraining.

I want to quote a statement by the president of the National Farmers Union, Mr. Easter. He said:

> Consumer prices, however, will remain at constant high levels even though the quality of food will erode as more chemicals are used. The corporations are going to Mexico because they can make higher profits there.

I am appalled at the lack of environmental safeguards in the agreement. It makes a mockery out of the green plan. Why do negotiators not demand that both the United States and Mexico measure up to our standards in terms of automotive emissions, the use of pesticides, herbicides and chemicals that I referred to a moment ago?

Today the Government of Canada has no loyalty to the Canadian people; only to the transnational corporate interests. Rather than leading by example and purchasing Canadian products, we were appalled just recently about the purchase of Canadian needs in the U.S., particularly the order for U.S. built locomotives for a Crown corporation in Canada, Canadian National.

I am also appalled that the purchase of carpet for one of the buildings of this institution was made through a U.S. firm.

When the government talks about Canadian standards and talks about the advantages of buying Canadian, I suggest that it should lead the way. It should show the example. It should maintain our standards here in Canada. If we are going to have free trade with Mexico, let it come up to our standards. Let it bring its wages up to our standards and let it bring its standard of living up to what we have here in Canada for the benefit of all of North America.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I was very interested in hearing the hon. member speak about how the agricultural and agrifood area will be affected by the North American free trade agreement and, to some extent, how it has already been affected by the free trade agreement.

I was particularly interested in his comments about the food processing industry. It is in that area I would like to direct my question to him. The area that I represent, Okanagan—Similkameen—Merritt, is a producer of fresh fruits and vegetables. It is also an infant grape growing and wine making area.

Given his comments on what he has been able to read about the free trade agreement and the North American free trade agreement, I wonder whether in fact he sees the death of our agricultural industry with respect to soft fruits, grapes and vegetables and whether in fact there is any hope in the future for the food processing industry which has already taken major body blows and is down now at eight count and may well be there for the full ten count. I wonder if he might comment and give his view of that under today's tripartite negotiations.

Mr. Ferguson: Mr. Speaker, I appreciate the question because I indicated in my address that 83 food processing plants have closed in Canada since January 1989 when free trade came in.

In Ontario where a lot of the soft fruit is grown, as well as in British Columbia, 49 food processing plants have closed and 5,635 jobs were lost. Many of these are gone forever. When this government came into power one of the first things it did was to go through a process it called standardization of regulations. In some cases it meant that the regulations we had in Canada in the food sector, which were among the most stringent in the world, were watered down to compare to that of our neighbours to the south.

• (1200)

I mentioned the fact that many of the pesticides, herbicides and chemicals currently used in other countries are not allowed in Canada. This will have a dramatic impact on our whole system as grade standards and so on are brought down.

I noticed that even the labour rates in the U.S. that are being paid to workers in the orchards and the fruit and vegetables business are very low compared to those in Canada. The writing is on the wall unless we as Canadians step in and insist that our industry be protected and our standards be upheld.

In Mexico the minimum wage rate has dropped by almost 60 cents an hour in the last 10 years. The minimum wage rate is now 59 cents per hour. In the Maquiladora area the rate dropped from $1.36 in 1980 to 99 cents an hour in 1989. In the manufacturing sector there was another massive drop. Those rates are going the wrong way. If we were bringing those workers up to Canadian standards we would not have any fear. But for Canada to enter into an agreement such as we have, an agreement that will undermine the viability of our industry in Canada, I believe it is time that we as Canadians made sure that food production and food processing be made a national security item in Canada.

In 1935 the U.S. Food Security Act was brought in for this very purpose. It was was to protect American workers and their food production sector. We need the same thing in Canada. I think it is high time we got on with it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before debate is resumed, the Chair wishes to announce that the amendment moved by the hon. member for Esquimalt—Juan de Fuca and seconded by the hon. member for Kamloops is in order. Resuming debate on the amendment. The hon. member for York West, for 10 minutes.

[*English*]

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to rise for my allotted 10 minutes to speak to the motion put by my colleague and neighbour, the member of Parliament for Etobicoke North. I commend him for suggesting:

> That this House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

I commend the member for Etobicoke North because the debate this morning on the floor of the House of Commons to be viewed by Canadians on all three coasts could not have been better timed. As this debate has already pointed out, we had to rely this morning on *The Toronto Star*, as have Canadians, to try to learn what the Government of Canada has been dealing with in terms of the other two countries, namely the United States and Mexico, with respect to a North American free trade agreement.

With all due respect, it is a shame that we have to rely on one of our newspapers to begin to enlighten not only Canadians but elected Canadians who are supposed to deal with issues on behalf of the 26 million shareholders of this company called Canada.

The question ought to be: Why is the House of Commons not seized of the issue? Why is the House of Commons not debating the parameters of what it is that Canada should be pushing for or what Canada should not be encouraging? Why is the House of Commons on behalf of Canadians from coast to coast to coast not giving the green light or the red light to this government? What is democracy all about if we talk about it, preach it and the Prime Minister exports it to the Third World countries? He makes great speeches abroad about the ability of people to exercise their democratic franchise. Yet back home, on an issue that is fundamental to the livelihoods of all Canadians, there is silence and ignorance. When there is silence and ignorance, whether it is true or not, there is certain to be fear of the unknown at the very least.

What is the reality today with the existing free trade agreement? There is fear and consternation because we are seeing job losses every day. We are experiencing plant closures. We are witnessing movement of goods, capital and factories southward from our border. We are also witnessing no transition programs.

Do you remember the Prime Minister during that 1988 campaign, which was largely a single issue campaign, saying: "At the very worst, Canadians, there will be people displaced by this free trade agreement. There are bound to be transitional difficulties". But for those difficulties he said: "This government will have the best transitional programs in the western world". Ask a 55 year old worker in your riding or mine who has been put on the unemployment or welfare line because the free trade agreement has dramatically altered his lifestyle by closing a factory. Where are those transition programs for that 50 year old worker?

Those programs are called unemployment insurance. After you have exhausted unemployment insurance it is called welfare. After welfare it is good luck. Those are the transition programs this government has put in place since the free trade agreement.

Canadians are asking themselves where the rewards of the free trade agreement are. Where are the rewards this Prime Minister supported, by third person advertisements in the name of these great multinational corporations? The Business Council on National Issues sent letters to employees saying that if they did not get behind the free trade agreement, their jobs would be in peril. Canadians have a right to know where those rewards are today as a result of the free trade agreement. Are there more rewards or more problems as a result of that free trade agreement?

That is the context of the current reality. Add to that Investment Canada, which basically means it is wide open for foreign investment. This party has never been against foreign investment, but the definition of foreign investment to the Tories equates foreign investment with foreign take-overs and we feel that is wrong.

Our foreign policy no longer seems to be a Canadian one. It is tied more to the orbit of the United States, as friendly and as good neighbours as they may be. We have airlines looking to the south and perhaps a government decision upping the percentage of foreign investment.

Canadians are not only worried about losing their immediate jobs; the country is aggravated by the free trade agreement. There is fear we are losing the ability to control our own future and our own destiny. The decision-making power seems to be flowing away from us with each and every decision this government makes.

Now we are supposed to blindly give a free ride, a blank cheque to this government to negotiate a North American free trade agreement. Can you imagine? Without any information and with the results clear as day on the free trade agreement, Canadians can only respond with a certain amount of genuine fear for themselves and their nation. The *Toronto Star* tells us today it is no minor tinkering. The document that was leaked, in terms of the working document Canada is working on, talks about no restrictions on importing goods that were processed in Mexico.

• (1210)

Think about that. If unemployment lines are now stretching, what is it going to mean if Mexicans will be able to export to our country, without any hindrance, when their labour rates are 59 cents an hour?

Government members talk about harmonizing truck, rail and bus transport, but our rail system has been gutted already. Our truckers have been virtually thrown off the road after they have been deregulated because they cannot compete with the Americans. Yet shipping, where we can compete the best, is oddly enough not part of that. The trade agreement only covers areas where we cannot compete.

Telecommunications is going to be opened up. The textile industry is going to be opened up. There may be a complete ban on compulsory licensing, which has permitted generic drug firms in Canada to survive and prosper and keep the cost of prescription drugs at a reasonable rate for Canadians. That will be impossible.

They also talk about a dispute mechanism in the North American free trade context similar to the bilateral one which is not working. They expect Canadians to be silent. Are Canadians not supposed to ask this government when it was given the green light to move on these things? What about involving the average citizen, the average Joe, who does give a damn about this country and his or her place in it?

Our party is not as dogmatic as our friends to the left here. This country is a trading country. The Liberal Party has always been a freer trade party. If there has been any history of building walls, it is the party that sits on the government side that has done it. We reserved the right in the last election and we reserve the right again in the next election to say that a deal at any cost is not a deal worth signing. Therefore we bring principles to what should be in or out of a trade agreement. We believe we should be at the table, otherwise who will be protecting and advancing our interests? We believe we should be righting the wrong and using this NAFTA as a way to right the wrong of the FTA.

Canadians must be part of the equation. They cannot be told at the end this is good for them. Canadians must decide for themselves, in conjunction with their Parliament, what is good for themselves, their children and the future of their country.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, thank you for letting me intervene in this debate by making a comment and asking a question of my colleague. I was very much interested in the content of the words he delivered and the passion with which he spoke.

As my colleague already knows, we in the Niagara Peninsula and specifically in the Welland—St. Catharines and Thorold riding have been devastated by this free trade. First our grape growers were virtually wiped out, and the member for Lambton—Middlesex made reference to this in his talk before. In the last week we have had 3,000 layoffs and that is directly attributable, in my opinion, to the free trade deal with the United States. These layoffs were from General Motors in St. Catharines.

We are now trying to regroup in our area and do something for the men and women who were laid off, but if we persist in going ahead with this free trade deal with Mexico, it will prove to be as much of a debacle as the free trade deal is and was with the United States.

The hon. member has mentioned the ordinary citizens of Canada should have some say in this. In my opinion they were coerced in the last election. They were frightened into voting for this government and for a free trade deal. Upon reflection, they know, as we know, this has not been a good deal for our country.

I put the question to the hon. member, my colleague. In your view, will the Mexican free trade deal help or hinder the auto trade in Canada? Will the Mexican free trade deal, like the American free trade deal we have, help or hinder our farmers in this country?

Could he address himself to those two groups?

Mr. Marchi: I would like to thank my hon. friend and colleague for his comment and question.

If the free trade agreement is the benchmark by which this government will conduct itself at the table for NAFTA, we should not only worry about the auto and the agricultural industry, we should worry in general. Since the trade agreement with the United States has been consummated, every poll has pointed to the great dissatisfaction of Canadians, and of the many constituencies that have been affected.

It should be a strong signal to this government that if Canadians do not believe or have confidence in the trade agreement that was negotiated, it should be incumbent on the government to right that wrong by taking Canadians into its confidence.

Can you imagine a country like Canada having energy not only on the table but in the free trade agreement when a country like Mexico at least had the vision and courage to tell the Americans, even before coming to the table, that energy is not up for discussion? That is to say at least they have delineated a point of no return. They drew their line in the sand.

I am not sure what our Prime Minister's line in the sand is, because quite often he governs as if he thinks he owns this country; as if it is a private commodity up for discussion. It should be brought home to him that he does not own this country. This is not his country to play with. This is not his country to experiment with. This is a country he happens to be guiding on a temporary basis, on behalf of Canadians and in their best interests. He owns nothing. But he owes it to Canadians to deal with the NAFTA deal better than he did the U.S.–Canada Free Trade Agreement. He and the government he leads must learn from their mistakes.

Mr. Murray W. Dorin (Edmonton Northwest): I am pleased to be able to take part in this debate today.

I would like to commend the hon. member for Etobicoke North for introducing this motion today and providing the House with the opportunity to have this debate. I have a high regard for the hon. member. I have read many of his articles and have heard him speak. It is too bad his party does not listen to him once in a while.

The debate today is about the question of Canada's trade negotiations with Mexico, but we should also recognize we are involved in trade negotiations with virtually every country in the world, on a bilateral basis as well as through the General Agreement on Trade and Tariffs, the current Uruguay round.

These negotiations have enormous implications for all Canadians. It is good to have a day like today where we can express our views and put some comments and facts on the record so Canadians will have an improved knowledge of just what it is the government is trying to do.

I would just like to offer a quote from the C. D. Howe Institute. It said the following with regard to why Canada should participate in these Mexican—United States—Canada trade talks: "By participating, Canada may gain greater opportunities to trade with a newly outward-looking 85 millions strong market. By standing aloof, Canada risks losing growing Mexican trade to U.S. based companies and losing investment to the United States because only U.S. based firms would have tariff free access to all three markets. If Canada is to be constructively involved in negotiations, it is important that Canada be involved from the beginning".

• (1220)

We are involved from the beginning. We are involved because we want to increase Canada's trade with not only the United States but Mexico and the rest of the world. Canada is the world's second most dependent nation on trade, second only to west Germany.

As a trading nation we must be constantly vigilant, looking for new opportunities. We always have to be looking for new opportunities because there is a continuing, if I can use this word, attrition of old opportunities because the world is a changing place.

When we think about trade, opportunities and even lost plants, and we had a lot of discussion this morning about plant closures and how that affects people, the fact of the matter is plant closures do affect people, unfortunately usually in a negative way because at least for a period of time they will be out of a job until there is some other opportunity at some other new plant.

Plant closures have been a fact of life ever since we have had plants, ever since the industrial revolution in the 1700s. The reason we have plant closures is because over time products become obsolete as new and better ones come into the marketplace.

We do not have too much of a buggy whip manufacturing industry these days or an anvil industry or industries that generally support the horse and carriage largely because something new came along called the automobile.

The fact of the matter is those people who were manufacturers of carriages probably had to find new lines of work and new jobs. What we have to recognize as a government and as a country is that the environment needs to be such that new opportunities can be taken advantage of. We allow new plants, new products, new technologies and take the benefit of them rather than trying to hold on to obsolete products and obsolete plants.

The world is better off with these new technologies. These new technologies are often superior goods and services. They also allow fewer people to produce the same volume of goods and services. Who would want to go back to the days of the pick and shovel in constructing roads? I do not think anyone would. That large machinery and equipment that we use in road construction, forestry, mining and all our industries means that we get the same production or more production from a fewer number of people. What that means is that for a time certain people are displaced from their jobs.

If we create the new opportunities, take advantage of the new technologies that are available, we can find new jobs for those people that are both more productive and more rewarding at the same time and probably with a greater wage or greater standard of living than we have had in the past. That has been the story of the world for close to 300 years now and there is no real reason to think it should change.

Fighting change, as the NDP would propose through its motion here today, is simply counter-productive.

I would like to speak briefly about some of the opportunities that are available through trade with Mexico if we can negotiate a proper agreement. The president of the World Bank described Mexico's own economic reforms going on there as: "One of the most ambitious, courageous and determined programs of economic reform and institutional change recently undertaken by any country".

In 1988 Northern Telecom's telephone equipment sales to Mexico were worth $4 million. In 1989 sales were $27 million. Sales for 1990 were estimated at over $60 million, and anticipated 1991 for over $100 million and 1992 probably even greater. Mexico has only 6 million telephone lines to serve a population of 85 million. In the next 10 years over $10 billion will be spent on telephone equipment.

Canadians just happen to be the most prolific users of telephones in the world, which probably has something to do with our climate. We therefore have become good at developing telephone systems which we can sell throughout the rest of the world.

A Mexican company has awarded Spar Aerospace a $16 million contract for communications systems used in earth stations and satellite dishes. Air transport equipment sales are expanding rapidly. We have already sold Challenger jet aircraft. Additional sales are anticipated in the future. Mexico City plans to spend about $100 million on public transportation. Canadian companies stand a good chance of participating in this equipment purchase and in getting contracts. Mexico must feed more than 85 million people. Canadian exports of dairy breeding cattle are rising and Canadian farmers anticipate further sales of other dairy and grain products.

All of these are new opportunities. They are opportunities to replace certain plants or certain other economic activities that are becoming obsolete in Canada with new and growing and exciting opportunities.

That is what the government is attempting to do in negotiating this deal. We recognize that over time certain plants and processes become obsolete. New technology to allow us to develop pulp and paper, for example, has allowed northern Alberta to become one of the growth areas in pulp manufacturing in Canada.

Its new technologies have now made it possible to harvest a resource that heretofore had simply been regarded as wasteland. What that does is enable us to bring on this new technology, probably the most pollution efficient plants in the world, or at least in Canada. This means, however, that in order to meet those standards other plants in Canada are going to have to adjust, adapt, and themselves invest in new technology to meet those very strict standards that we are trying to bring into Canada with regard to the environment.

As we know, all Canadians consider the environment to be important. They want those standards, but only through technology can we meet those standards and keep our environment safe.

Some people have said that in Mexico they do not have nearly the same environmental standards and Mexico will become a pollution haven. I would like to address that. First of all, I would like to inform members of the House, in case they are unaware, that the environment is a national priority for Mexico. The government has increased eight-fold its spending on the environment in the last decade and would like to spend more. As we all know, it can only spend more if it has more. It will only have more if it can earn more. One of the ways it can earn more is through increased economic opportunities and trading opportunities.

When we look at Third World countries we all say that we would like them to become self-sufficient on their own or at least be able to become less dependent on foreign aid and be able to bring their standards in regard to pollution and the environment up to something more equivalent to ours. We then turn around and deny them an opportunity by keeping trade barriers on products that they can produce and sell in our markets. Sure we are attempting to protect our own jobs, but at the same time we are denying them opportunities. We are denying them opportunities to increase their incomes which would then allow them to increase their imports of products that we can provide for them.

It is not productive for us to restrict trade. In fact, it is productive for us to open up trade because with this new income that they have, they will be able to buy more goods and services from us and give us new opportunities for more technologically advanced industries to produce the products and goods and services that they need.

Earlier on the Minister of Forestry spoke. He addressed the question of wages and the fact that some people have said that the wage cost in Mexico is lower than it is in Canada by a substantial amount. That is true, but that is not any reason to try to restrict trade.

Wages generally represent a relatively small part of the total cost of production, on average between 12 per cent and 15 per cent of the cost of production of goods. Less than 2 per cent of the goods Canada buys abroad comes from Mexico in spite of Mexico's lower wages.

Wages are not the only component that goes into the manufacture or product and therefore not the only component that goes into the eventual price. It can be a factor. However, one is presuming when we compare the relatively higher wages in Canada to those in Mexico that those wages are going to stay where they are.

I would suggest that the exact reverse is what will happen and is what we want to happen. We want those people to become involved in the production of goods and services that they can export to the rest of the world. That will allow them to have increased wages for their workers, an increased standard of living, to provide the kinds of money that are necessary to increase their transportation systems, to address economic priorities and social programs which are so badly needed in a country like Mexico and to bring up their environmental standards closer to the industrialized world.

• (1230)

What we are saying is that by allowing them increased opportunities for trade, not only are they going to be able to increase their own economic development, their own standard of living, but through that increased income that they are going to have, they will be able to offer new trading opportunities for Canadians because we still will have the goods and services that they will require.

It sounds as though we should try to determine where those opportunities might be and how we can take advantage of them so that we can ensure in Canada that we are not somehow restricting our own companies, our own private sector, from taking full advantage of trade with Mexico or for that matter with the rest of the world.

I think that some of the initiatives that have been taken so far are helpful in that direction. I think the government has been trying to use the private sector through information seminars. I will not list here all the things that go on through documents that are produced by the government outlining potential trade opportunities throughout the world. It organizes trade missions such as we have seen.

Recently, we saw a trade mission, led by the Minister for International Trade, to Japan. It opens up new opportunities and contacts for Canadian businessmen. I think these are the kinds of things through which the government can play a constructive role.

I would think that we would want to see increased trade delegations to Mexico to increase the opportunity for Canadians to go on these trade missions, to develop new contacts with industries in Mexico and to allow trade opportunities to be developed.

One of the problems we have in Canada, being a relatively small country compared to the United States, Japan or Germany and having somewhat smaller businesses if you like, is it is not always completely economic or at least affordable for a smaller company to go on its own trade mission to Japan or to Mexico, to finance itself and to try to find the contacts even though the markets may be there.

One of the things that the government really can do to be helpful to business is to provide these opportunities, to lead the way and to lead delegations that can meet their counterparts or the people in these other countries. After that initial contact, most Canadian businesses are resourceful enough to further develop those contacts and put them into a form of trade, either importing or exporting, that benefits Canadians through the acquisition of new products that we can use.

They can be economic products, less costly products if you like for consumers but those contacts can allow us to find new markets for our own products that we can sell to produce income and jobs for Canadians.

Trade has been shown over the last 300 years, ever since the industrial revolution, to be something that benefits all economies. Talking about maintaining barriers and restricting trade is simply an attempt to take us back 300 years. Frankly, it seems to me that members of the House here should be addressing how we can develop those opportunities and use Canadian expertise and technology which we know we have.

We know we are capable of producing goods and services that are as good as any other in the world. We can develop and use that to trade with the world, and not look for ways to impinge trade or maintain trade restrictions.

I want to thank the hon. member for Etobicoke North for proposing this motion today and for selecting this topic for debate because it is an important one. It is one that everyone knows during the last election involved considerable discussion. Probably the next one will too. I think it is healthy that the House had this opportunity today. I thank him for that opportunity.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I wish it was all as simple as the member for Edmonton Northwest tells us it is.

You may not know and I believe it is the case that the member has also called for reducing the unemployment payments to the 12 per cent of Edmontonians who are now unemployed. He has called, I gather, publicly for eliminating the corporation tax as well.

In short, I do not think he really understands the problems that go on with most families that live in his constituency or in mine. In a questionnaire that I sent out last summer to all constituents, of those who replied, about 60 per cent were opposed to a free trade agreement with Canada, Mexico and the United States. About 30 per cent were sympathetic or in favour and 10 per cent were undecided.

In view of the present state of the Canadian economy which many people think has been exacerbated by the

workings of a very badly negotiated free trade agreement with the United States, I wonder if the member will tell us whether he thinks his government has the intelligence, the will or the knowledge to negotiate a good agreement now with Mexico. It has been so secretive about it that we have to read in one of the newspapers this morning as to what it is likely to have in it.

Mr. Dorin: Mr. Speaker, I would be glad to respond to both of those points.

The first one was with regard to unemployment insurance. What he says is essentially correct. Unemployment insurance has become perhaps the single largest expenditure of the federal government these days. It is in the range of $20 billion.

Following the premiers' conference on the economy which was held recently, the premier of Ontario called for spending on infrastructure and public works, one of the premiers called for increased training for workers and some premiers called for other things such as reduction in taxes.

I suggested that what we should really be doing is rather than spending $20 billion a year on unproductivity, that is not working, we should perhaps try to use about one-quarter of that to see if we could not put it into some of those things the premiers had suggested. I even outlined in my remarks what we might direct it at.

I suggested to get some of these projects going, we would direct one-third toward public works or capital works as the premier of Ontario was suggesting. That could be matched by the provincial and municipal governments.

I suggested we put one-third into employee training. It seemed to me employee training was far more sensible than employees waiting around for jobs that are not there. I suggested at the time some job creation initiatives as well as some employee retraining would be a more productive use of unemployment insurance payouts.

With regard to the question of whether or not we can negotiate a deal with Mexico given the record of the deal with the United States, I think that this just shows we can get a pretty good deal. I would like to remind the hon. member for Edmonton Southeast that prior to the last election he was having some concerns as to which party he was going to represent.

In making his announcement that he was going to run as a Conservative candidate, he stated that the reason he was going to do so was that he felt the free trade agreement with the United States, on which the election was based, was so important for his constituents and for western Canada that he would support the Conservative Party to ensure that the free trade agreement was supported and would come into place.

It is a little strange now that he would question whether or not based on our record we have the skill to negotiate an agreement with Mexico when, during the last election, he campaigned vigorously suggesting that this agreement was a very important agreement for Canada.

Mr. Kilgour: Mr. Speaker, I am sorry the member has not read my book *Inside Outer Canada*, but if he would be good enough to read it he would see why I changed my mind on the free trade agreement, as many Canadians in his constituency and mine have also done. The fine print and the practice has turned out to be very different from what many of us were lead in good faith to believe would be the case before the election.

I would ask the member to indicate whether he thinks the free trade agreement with the United States has turned out as well as he was hoping. Again, I would simply put on the record the fact that he is correct that I did feel it would be in the interests of Canada as a whole, and Edmonton in particular, but since then thousands and thousands of jobs have been lost across the country.

I am not saying that free trade was the only cause, but certainly many Canadians in the hon. member's constituency and mine believe that a badly administered and a weak-wristed implementation of the free trade agreement has caused this country's economy to suffer enormously because of it.

We all have the right to change our minds on the basis of new facts learned or new things seen.

Mr. Dorin: Mr. Speaker, first of all, I will say yes, we all have the right to change our minds on the basis of new facts and information. I do that quite often. Frankly, that is the reason we have public hearings, committee hearings and things like that, to get the new information

which sometimes turns out to be different from what we thought.

If we were not prepared from time to time to change our minds, there would be no point in holding these hearings and discussions and we would not be serving our own constituents or the Parliament of Canada and the Canadian people very well.

• (1240)

As to the question of whether the free trade agreement has turned out as well as one would hope, the answer is that we know we have had a recession in Canada. We also know that recessions come along from time to time. As far as I know, for the last 500 years we have had recessions. The business cycle is somewhat unpredictable. Therefore, the recession has made it difficult for a number of companies to adjust and in some cases it may have been aggravated by the free trade agreement.

We also knew going into the free trade agreement that there would be substantial changes taking place in the economy, both job losses and job gains. I would say to the hon. member that in my opinion we have had more job gains than job losses. I know that has been true in my province of Alberta. We have had more job gains than job losses.

Yes, I think it has been a good deal on balance and it will be an even better deal once the economy of the United States starts to grow again. They have also been through a recession and once new opportunities for increased exports come about, the free trade agreement will be seen as a great deal and a much improved situation.

I would just like to end by saying one more thing. He said that after the election he determined that some of the things in the fine print were maybe a little different than what he had thought.

It seems to me for somebody who is going to be campaigning it is an admission that he did not bother to read the fine print. Maybe everybody does not have to read the fine print, but people who are campaigning on a substantive issue in a serious way should try and do the best they can to inform themselves of the facts. The fine print was there, it was available and the agreement was all out there.

I am not sure that I would want to say: "Look, I have to change my mind because I did not bother to read it". It seems to me that the Minister for International Trade got into some difficulty just because he said something similar and the opposition was quick to jump on it.

I am not sure that should be taken as an excuse. However, I do acknowledge that from time to time we should be prepared to change our minds. That is why we are here, to gain information and to do the best job we can for the country.

I believe the free trade agreement with the United States will prove to be an agreement that no one is going to want to tear up in the future.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, there were allegations a little bit earlier from one of the members from British Columbia that the child labour laws were going to be broken by this new free trade deal. I am in favour of having laws which protect our younger people from going to work at too early an age.

My question is very specific and it is direct. If there is no protection for children in this free trade deal, would the member who has just spoken be prepared to go ahead and sign this deal anyway?

Mr. Dorin: Mr. Speaker, the member raises a very good question. I must say that I have very little knowledge of the question of child labour laws in Mexico. I would agree with him that we should have laws to protect children from exploitation. We should encourage all other countries in the world to do the same thing.

I would just like to point out one thing, however. In poor countries one of the reasons children are exploited or have to work is because in poor countries there is not enough income within the total economy and within the family for the family to survive. As a result, people often go to work at a very early age rather than getting an education and training which would further them as persons.

Through this agreement we are trying to provide opportunities for increases in employment and opportunity, in economic development, in increased wages for the Mexican people in the hopes that they will have an increased standard of living and will be able to deal with some of their social problems.

This agreement would probably help to alleviate some of the conditions the hon. member has suggested exist there and which I take at face value.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the motion currently before the House which has been introduced by my colleague the hon. member for Etobicoke North could not be more timely nor could it be more relevant. It comes at a time when Canadians are deeply concerned about a great many matters affecting us all. It comes at a time of uncertainty and uncertainty is the greatest enemy that we face in this country.

By uncertainty, I am speaking of economic and constitutional uncertainty and of the uncertainty Canadians have now with regard to their government and some of their most sacred institutions. Canadians wonder whether those truths, which were once held to be self-evident, are being abandoned in the name of such ill-defined terms as globalism and rationalization.

Canadians are not afraid of change. However, the question that we must grapple with is how best to prepare Canadians for change. Some would argue that this should be the government's top priority and that brings us to the motion that is before the House.

To many Canadians, the North American free trade agreement is a frightening prospect, not because Canadians are afraid of competing with the United States or Mexico or anyone for that matter, but rather because Canadians have seen firsthand what the U.S. free trade agreement has done to our economy and to our national psyche.

Canadians have developed a very deep mistrust of this government. They remember the 1988 election when they were asked to decide on the basis of the then proposed Canada-U.S. Free Trade Agreement and to choose between two diametrically opposed positions.

In many cases, the debate which followed was conducted with neither honesty nor forthrightness. Rather, it became emotional, in some cases irrational, with accusations and innuendoes being hurled around about people's motivations and their integrity and financed by a third-party campaign which raised serious doubts about the fundamental basis of our democracy.

Since that election, the promises of the government about the successes in our economy which would ensue as a result of the Canada-U.S. Free Trade Agreement have not coincided with the experience of Canadians.

Canadians have seen time and time again and have read in their newspapers that Canadian companies are closing down and moving to the United States. Although the government has repeatedly tried to argue that these job losses, these plant closings were not related to the free trade agreement, they were related to something else, it has not assuaged the concerns of Canadians, particularly those who found themselves unemployed with no chance of re-employment.

Canadians have also seen the United States not respect the terms which purportedly they had negotiated in the free trade agreement. We have seen it recently with softwood lumber; we have seen it even more recently with the Honda decision.

Canadians are now once again seeing a familiar pattern emerge with the North American free trade agreement. They see a government that is unwilling to divulge its agenda with regard to its negotiations with the United States and Mexico. When Canadians attempt to learn their government's priorities with respect to these negotiations they are stymied. They are told that these negotiations are too sensitive for public discussion or for public scrutiny.

The result is nagging doubts about whose interests this government truly represents.

Canadians are thus held as captive audiences, forbidden to see what is unfolding on the stage until the principal actors deem it appropriate. Canadians must follow the process as best they can through politically coded messages coming from the Minister of Finance, the Minister for International Trade and the Prime Minister. They are left to wonder and to worry.

Or worse, Canadians find out what is happening through press leaks or through reports coming from agreements being made available to legislatures in the United States or in Mexico, not through the forthright expression of a government willing to come clean about what interests it is pursuing in these talks and what the government's bottom line is and what it is negotiating for and on behalf of Canadians.

• (1250)

What can this government do to address this uncertainty which has shaken the confidence of Canadians so dramatically in recent months? Here I would refer to the motion that is before this House. I would argue that this government should be completely open with Canadians about its principal goals and objectives in the current North American free trade talks. Those are the words of the motion that is before this House today. It is an

expression of the absolute failure of this government with respect to these negotiations.

Surely this government can do this much to restore the faith of Canadians in their system of government by coming clean with their elected representatives and by telling the Canadian people through the Parliament of Canada what it is negotiating on behalf of Canadians and keeping Canadians informed every step of the way. That is the exact opposite of what this government has practised since the North American free trade negotiations were initially disclosed and discussed more than one year ago.

The government must begin to address those concerns which Canadians have about their own lives, those of their families and how this deal might impact on them. For instance, in this morning's *Toronto Star* it is reported that where the new North American free trade agreement is concerned, "there appears to be no specific protection provided in critical areas of the environment, health and safety standards and workers' rights".

Does this mean that Canadian workers will be competing against Mexican workers in the Maquiladora region who earn less than one dollar an hour and live as virtual economic slaves? Is this whom we will be competing against? Is this what Canadian workers will be faced with? It seems to be no longer a question of "if". There are already Canadian companies in Mexico taking advantage of these virtual slave labour conditions. Is this what rationalization means? Is this competitiveness?

Surely this government can indicate to Canadians today whether these standards will be tolerated in a North American free trade agreement. The answer should be self-evident. Yet, this government remains strangely silent. What exactly is going on with these negotiations?

On the environment, can our government not say that there will be no deal unless we receive commitments of environmental protective standards not only from the Mexicans but from the Americans as well? Surely this government can do no less.

What about agriculture? If I read the bracketed text of the North American free trade agreement, in agriculture it proposes that the agreement will call for allowing the Mexican government to subsidize the exporting of the production from these factory farms purchased by investors from Europe, Japan, the United States or any other country, land owned by small farmers in Mexico. The agreement will allow the Mexican government to subsidize the exporting of the production of these lands into the U.S. and into Canada. Effectively, this means that family farmers in these three countries would be seriously harmed under the terms that are in this proposed text.

Is this the text that the Canadian government is about ready to sign with the United States and with Mexico? At the same time, as they are preparing to negotiate, all the while protesting their fidelity to article XI of the GATT, they are preparing to say that Canadian supply management programs are effectively about to be abandoned to this Uruguay round.

In any case, the very least the government can do is let the people know that our interests, our standards of living will not be abandoned in the name of competitiveness and rationalization.

We are not scared to be competitive but we want to know that this government is on our side.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, I have listened with both interest and admiration to my distinguished friend who has developed some of the considerations involved in this debate with his usual skill and insight.

At the risk of some mild caricature, we have heard today one party, the government party, advance the proposition that everything is fine: "Trust us, the U.S.-Canada Free Trade Agreement is a flawless agreement and equally the North American free trade agreement will bring immense benefit to Canadians". On the other end of the spectrum we have heard our colleagues from the New Democratic Party embrace their usual protectionist stance, looking for some sort of fortress Canada which does not actively seek export markets or engage in the challenges of globalism in both trade and investment.

Somewhere between those two extreme poles the member who has just spoken has developed a position which is worthy of some further discussion. I would seek his comment particularly on how this government has failed to act on providing the assistance to Canadians to accept the challenge of freer trade and to benefit from the reduction and removal of trade barriers around the

world. I would ask him whether he sees a need for active government involvement in providing the assistance to Canadians so that they can make a reality of a global trading environment.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I want to thank my distinguished colleague for his question and to compliment him on the contribution that he has made to defining a middle ground and a middle road for Canada in the pursuit of a trade policy.

Key to this middle road is active government intervention in order to enable Canadian firms and Canadians generally to be competitive on a global stage. We accept the phenomenon of the globalization of economic activity, but we are saying in this party that the federal government has a key role to play and an active role to play, for example, making sure that Canadians are trained and educated to meet the global challenge, that Canadians are not protected necessarily in the means of preventing them from adjusting, but that adjustment measures are in place to enable Canadians to transfer from occupations that become redundant as a result of moving toward more globalized trade and into activities that Canada may be able to benefit from.

Strangely enough the government promised with the free trade agreement between Canada and the U.S. that there would be generous adjustment mechanisms. We have not seen that. As a result, Canadians have found themselves without the proper training and without the proper adjustment assistance as we have paid the price, certainly in the first three years of massive adjustment, combined with a recession which has resulted in Canadians questioning whether or not this government is on its side in terms of preparing Canada for the economy of the future and I suppose contributing to general fears and protectionist sentiments which are growing around the world.

If the government is prepared to embark Canada on a more globalized trading footing, it has to take a responsibility to ensure that Canadians are ready to meet the challenges that lie ahead. That at the same time means that we are not, as the New Democratic Party is so quick to do, turning inward and sticking our heads in the sand and denying that we cannot have agreements with other countries. Surely we can. At the same time these agreements have to recognize environmental standards that must be maintained, that Canada and other countries must work toward health and safety standards, and that our labour force has to be allowed to adjust to the new realities.

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being one o'clock, I do now leave the chair until two o'clock this afternoon, pursuant to Standing Order 24(2).

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

FALSE INDIAN ID CARDS

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, it has been several months since the government first became aware of the fact that an association called Amitiés autochtones hors réserve had been issuing so-called Indian ID cards. The cards, which are readily available for $30, supposedly entitle the holder to tax exemptions and other benefits related to Indian status.

What has the government done since September 1991 to prevent further proliferation of these phoney cards? What charges will be laid against the leaders of associations that have swindled Quebecers and the government? How does the government intend to recover thousands of dollars in unpaid taxes, while the real victims are the hundreds of business people who innocently broke the law because the government, whose responsibility it was to inform them, failed to do so?

The appropriate departments failed to deal with a situation that was their responsibility, not that of these businessmen or of the card holders who felt they were entitled to tax exemptions simply because one of their relatives had Indian blood.

In concluding, I would urge the government to organize an ad campaign to inform the public about the rules that apply when an Indian shows his card off the reserve. The integrity of bona fide Indians and our governments is now under a cloud, a situation that must be corrected as soon as possible. The departments have a duty to act quickly.

[*English*]

ALICE HOUSING

Ms. Mary Clancy (Halifax): Mr. Speaker, Alice Housing in Nova Scotia provides housing and support services for women and children who have fled abusive situations. As one of the oldest of these projects, Alice Housing is understandably in need of repairs.

The co-ordinator approached CMHC for funding through the next step housing program only to be informed that second stage housing is not eligible for grants under this program. Funding cannot be used to assist existing units even if they are in danger of collapse.

As the situation now stands, the cost of repairing 17 units is equivalent to that of creating one, just one, new unit of second stage housing.

I ask that the minister reconsider his department's regulations. The loss of such a vital service would be a step backward in the struggle to eliminate violence against women and children.

* * *

LOBSTER FISHERY

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, lobster fishermen on the Northumberland Strait in my riding strongly support the Department of Fisheries and Ocean's policy to increase the carapace size of lobster from 2.5 inches to 2.75 inches over a period of four years. They wish to send a very clear message to DFO that there should be no deviation from this conservation measure. In fact the fishermen from Malagash, Pugwash and Wallace established the standard themselves several years ago, as I stated in my statement in the House on April 3, 1990.

If the fishermen are prepared to set this stringent conservation standard, DFO should totally support this measure and I urge them to do so.

* * *

FAMILY PLANNING

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the New Democrat government in British Columbia has decided that women, not politicians, not hospital boards, will make decisions about the number and spacing of their children.

B.C. is funding clinics and ensuring that hospital boards cannot refuse to provide abortion services. It is providing $300,000 to support education and information on family planning. It has established a task force on access to contraception and abortion.

Sadly, some members of the Liberal, Conservative, and Bloc Quebecois do not agree. They clearly do not understand how important it is for Canadians to have the information and education they need to prevent unwanted pregnancies. These members deny women and men access to birth control information. Because of them, women will continue to need abortion services. These misguided members defeated Motion No. 44 on family planning.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Clément Couture (Saint-Jean): Mr. Speaker, it is now recognized throughout the world that the environment is everyone's concern and that all governments should assume their share of responsibility for it.

Here in Canada, the recent Supreme Court decision in the Oldman case reflected this state of affairs. What is even more important is to have the wisdom to realize that the environment goes beyond artificial geographic boundaries.

Bill C-13, the Canadian Environmental Assessment Act, passed last Thursday by the House of Commons, is in tune with this new planetary consciousness which tells us that we must respect our physical surroundings and live in harmony with our environment.

With this new law, we will be able to take account of the foreseeable environmental consequences of our projects and activities and to make enlightened decisions in the spirit of sustainable development, which has become a world priority.

S. O. 31

[*English*]

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, on the first anniversary of the disastrous *Exxon Valdez* oil spill, it is fitting to remind ourselves of some basics. First, that the term "sustainable development" is more than just a slogan.

If governments mean what they say they have an obligation, now greater than ever, to prevent accidents, catastrophes, spills, overfishing, overcutting, over-farming, desertification, you name it, all the excesses our society has been prone to committing.

The *Valdez* oil spill, now a symbol with Love Canal, Bhopal, Chernobyl, reminds us that we have the capability to destroy the very foundation of our society, the environment, without resorting to nuclear arms.

While the threat of nuclear war is fading, the degradation of the environment continues. The transition to an environmentally sustainable world will not be easy, but it is the best option we have.

* * *

RACIAL DISCRIMINATION

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, March 21 was the international day for the elimination of racial discrimination. It was a day and is a day to promote racial harmony across our great nation. The theme "Together we are better" should be stressed in workplaces, communities, families, and in schools.

Though things are changing there are still many examples of discrimination occurring every day. For instance 90 per cent of placement agencies in this country are asked by clients to reject workers because of their skin colour. This is completely unacceptable.

Let us celebrate our differences while promoting equality for all. If we do not stop racism, who will?

* * *

CAPE BRETON DEVELOPMENT CORPORATION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the Cape Breton pensioners' association has requested that the Cape Breton Development Corporation release information on retirement packages that are available to management and employee personnel.

The pensioners' association wants to utilize this information to make a case for the enhancement of benefits presently paid to retired employees who were not part of management.

Officials of the Cape Breton Development Corporation told the association that they will not be given this information and they should hire a lawyer if they want to obtain it.

The corporation is not covered under access to information, so it would seem that this group will have to undertake a lengthy legal procedure in order to obtain information that should be freely available.

• (1410)

Since this is not a matter of national security, I urge the minister responsible for the Cape Breton Development Corporation to instruct officials responsible for pension plans at the corporation to release this information. The workers have a right to know.

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[*Translation*]

THE ENVIRONMENT

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, Bill C-13, the Canadian Environmental Assessment Act, was drafted to a large extent by Canadians themselves. They have clearly indicated that they want the federal government to change the way it conducts environmental assessments and to meet its responsibilities.

Three series of public consultations took place in the past four years. Bill C-13, adopted on third reading last week, responds directly to the needs and wishes expressed by those who came forward to give their opinions.

The new Canadian Environmental Assessment Act will give every one of us the opportunity to express our opinions on federal government decisions concerning developments that could change our lives and affect our environment for good or ill, in accordance with our commitment to sustainable development.

Constitutional questions must be settled at the constitutional table and environmental issues must be dealt with by the environment ministers.

* * *

LOUIS RIEL

Mr. Nic Leblanc (Longueuil): Mr. Speaker, the federal government has just recognized publicly Louis Riel's role as a founder of Manitoba. That is hypocritical and outrageous! The memory of Louis Riel is being used to promote constitutional reform.

Louis Riel struggled to give his people a country. He was driven out and hanged for that reason. On Saturday, March 15, I went to St. Boniface. I wanted to denounce the contemptuous attitude of the government, which uses a martyr's memory in such a low way. I am proud to belong to the same tradition as Louis Riel. I will never accept his name being used to manipulate Francophones and native people.

* * *

[*English*]

DESTINY 92

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, earlier this month a successful career fair was held in Chilliwack.

Called "Destiny 92", it was hosted co-operatively by the Chilliwack Chamber of Commerce, the Chilliwack School District, the University College of the Fraser Valley, Canadian Forces Base Chilliwack, the Chilliwack Public Library and ECIC. This was Chilliwack's first ever career fair.

Large crowds of people of all ages attended. Many were young students while others were mature adults curious about a career change or upgrading. As well as displays by sponsors, there were displays from a variety of fields ranging from police, fire-fighting, trades, and significantly high tech and service industries. In short, if the job exists it was represented at this fair.

My encouragement goes out to those who attended to learn about career choices.

My congratulations go out to Roy McLoughlin and his committee of organizers for a job well done. Thank you Cottenwood Shopping Mall for making the space available for this important career fair.

* * *

ENERGY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, Canadian gas producers have been keeping a nervous eye on the huge potential of the Mexican gas industry.

As *Doig's Digest* has noted: "Mexico's proved reserves, strategically located to interconnect with the Gulf Coast pipeline network linking Texas with U.S. markets, stand at 73 trillion cubic feet. In comparison, Canada has remaining marketable established gas reserves of 79 tcf, which includes 11 tcf in the Mackenzie Delta/Beaufort Sea area".

Mexico can produce in volumes, at prices, and with a proximity to markets which could place Canadian production, especially from frontier or difficult sources, at a severe disadvantage.

The government must do nothing, such as abandoning regulatory control of pipelines, that would throw our domestic market open to cheap Mexican gas. The result would be a devastation of the western and northern petroleum industry similar to that visited on Ontario manufacturing by the Canada-U.S. Free Trade Agreement.

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[*Translation*]

SCIENTIFIC RESEARCH

Mr. Jacques Vien (Laurentides): Mr. Speaker, last Friday, the Hon. William Winegard, the Minister for Science, announced significant funding for the three federal granting councils.

The budgets for the Natural Sciences and Engineering Research Council, the Humanities Research Council and the Medical Research Council will increase by 4 per cent a year for the next four years. Funds for research and university training will thus increase by $321.5 million between 1992-93 and 1995-96. The new funds will give the councils the room they need to plan their activities and give more support to research and training.

That is very positive for the scientific research community. It is another example of our government's efforts to stimulate scientific research.

* * *

[*English*]

BREAST IMPLANTS

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, in the days, months and years to come women implanted with potentially dangerous breast prostheses will come forward for help. They will ask that their implants be removed.

Dow Corning, the implant manufacturer, simply does not care what happens to Canadian women and has offered no money to help them. The federal minister of health says that the provinces should fund removal through our medicare system. But some provincial governments are unwilling to help.

In Manitoba the minister of health said that women with implants for enhancement purposes should seek removal costs from the manufacturer.

Canadian women trusted in this federal government when they assumed that the breast implants had been tested for safety prior to approval. Now they are caught in a tug of war involving the industry and federal and provincial governments.

I urge the minister of health, who guarantees the safety of these implants, to play a leadership role and assure Canadian women this government's lack of vigilance will not cost them another $3,000 when they seek to have these implants removed. Canadian women should not be made to suffer.

* * *

TEACHERS' STRIKE

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, you and I know that any strike by Ottawa high school teachers is strictly a matter for the province of Ontario.

I am not taking sides in this fist-fight between the Ottawa Board of Education and its 1,000 teachers. But what worries me, what is filling the parents with doubts and fears is what should concern the federal government. What happens to those grade 12 and 13 students especially, who are caught in the middle of this dispute, just as they are on the final approach to entrance requirements for university.

If the two sides in the OBE strike hunker down for a three to four week siege, I want the minister responsible for universities to alert those institutions that highly qualified, innocent victims need some special exemptions to carry on their education.

Surely, it is up to the federal government to help these young people to go on and build the Canada we all love.

ORAL QUESTION PERIOD

[*Translation*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister for International Trade.

For months we have been asking the government for progress reports on the negotiations between Canada, the United States and Mexico. Today, thanks to *Action Canada*, we were able to obtain documents that the government refuses to show to Canadians.

The document, which was prepared last year, contains 500 pages in which the economic future of all Canadians is hanging in the balance. Contrary to what the government told us, this document will take precedence over the agreement it signed a few years ago with the United States.

I wish the minister would tell me whether it is true this document will replace the free trade agreement we signed with the United States a few years ago.

[*English*]

Mr. Speaker: I have listened very carefully to the hon. Leader of the Opposition and I am quite sure that he put some considerable thought into his question.

There is a debate going on today and I remind the House of the consideration of an opposition motion:

> That this House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

The difficult task I have, on behalf of all of you, is to make sure that questions that are asked do not come within the wording of that motion.

I think the first question is acceptable, but I am asking hon. members to keep in mind carefully that I am bound by the rules as we all are.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, first let me just put one of my hon. friend's comments in context. He said: "Where the economic future of all Canadians is hanging in the balance".

Trade with the Mexicans is about $2 billion or $2.5 billion which compares with our trade with the Americans of $256 billion, or the total size of our economy which is up in excess of $700 billion.

• (1420)

We should put this all in context. The specific question that my hon. friend has asked is whether a free trade agreement with Mexico would take precedence over the free trade agreement with the United States. The answer is no.

We have said on many, many occasions that if there are to be any changes to the free trade agreement with the United States that they would have to be improvements on that agreement. They would also require the agreement of both the Americans and ourselves.

My hon. friend can be assured that if there are going to be any changes to the free trade agreement with the United States, they will be very, very carefully reviewed and would only be agreed upon if they were improvements.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask another question of the minister. It is related to this new development that we have today.

It is a very comprehensive document that covers a lot of the areas that were covered before. In this document, it is indicated that the government decided many months ago that this deal with Mexico will be in place by January 1, 1993. At that time, this government, which does not have much legitimacy in Canada being at 12 per cent in the polls, will be in the fifth year of its mandate.

Will the minister give a guarantee to this country that the government will not sign this deal before we have an election in Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I should remind my hon. friend that his predecessor drove an election on free trade and did not do very well in it. I would talk to my hon. friend before jumping to that sort of conclusion.

Mr. Peterson: Call an election, Mike.

Mr. Wilson (Etobicoke Centre): If it were my decision, maybe yes.

The question that my hon. friend has posed though is about the date for the coming into force of a free trade agreement including Mexico and the United States.

The date would be put in as an objective, but we have said all along that the timing for an agreement would be driven by the agreement. The agreement would not be driven by the timing.

We want to ensure that we get a good agreement. Depending on the timing of that agreement, it might come before or after an election. Who would know?

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the minister has recognized that as far as he is concerned, he would rather have an election before.

In an election before, this time this government will be judged on what it has done. Last time, it was making promises. Now we know that it has not delivered, and Canadian workers are paying a terrible price for the free trade deal.

Will the minister tell his Prime Minister that if the government trusts the Canadian people, it will go to the people first. This time, you will be out of office.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me again put things in perspective here.

An election on a free trade agreement involving 75 per cent of our trade might have been an appropriate thing as the Leader of the Opposition and his predecessor had felt it would. But to have an election that is fought on the basis of less than 1 per cent of our trade surely is a bizarre suggestion.

Is my hon. friend suggesting that other economic issues, the issue of national unity and the issue of social policy are not important, that we should be fighting an election based on 1 per cent of our trade? That is ridiculous.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the health of the Canadian automotive sector which is central to our manufacturing base has rested largely on the auto pact.

It is now clear that the United States is demanding the elimination of the auto pact in the current trade negotiations with Mexico and Canada. Why is this government negotiating a trilateral agreement which does not preserve the terms of the auto pact?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I cannot understand the basis of my hon. friend's question.

We have said all along that our objective in this negotiation is to preserve the auto pact. Our objective is that if there is to be any change in the terms of the auto pact, it would be replaced by something that was equal to or better than the auto pact.

My hon. friend should also be aware that the reason automotive trade is on the table is that currently there are exports by Mexico into Canada of about $1.4 billion of automotive products. It is only $100 million the other way. The reason that is so is because of the auto decrees of the Mexicans which basically result in one-way free trade. They get access to our market duty free; we do not have access to their markets. One of our key objectives in the free trade agreement with the Mexicans is to get better access to their markets.

Hon. Roy MacLaren (Etobicoke North): I see how effective the automotive provisions of the free trade agreement are in the case of Honda. The minister knows perfectly well that in the current Honda dispute, the United States is exploiting the U.S.-Canada Free Trade Agreement, and I use the Prime Minister's phrase, to harass Canadian exports. Moreover, it is no secret now that the United States is seeking higher content requirements in the current trade negotiations.

Can the minister tell the House why his government is negotiating an agreement that will make major changes to the rules of origin and content requirements for automobiles?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the Honda problems and the problems with CAMI have pointed out some clear problems with the interpretation of the rules of origin.

We have chapter 18 consultations under way under the free trade agreement to try to resolve that problem. We have set an objective, as I have said in the House on a number of occasions, of clarifying the rules of origin for a North American free trade agreement so that we would avoid the problem. That means setting the rules in advance and making sure that they are clearly understood and transparent so that we would avoid the problems we have now.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, following on the answer from the Minister for International Trade, should there be an election on the Mexico trade issue, we would hope that the Liberals' position was as clear as the last time when they ran in the election.

Referring to the draft text that the Leader of the Official Opposition spoke about today, my question to the Minister for International Trade is it appears in that document that Canada is now going for a system of tariffication on its small agricultural production in terms of supply management, eggs, poultry, et cetera. This is in direct contradiction to the government's statement that it was seeking to strengthen article XI.

Which is the position of Canada: the one in the draft agreement or the one stated by the government publicly? One was secret and one is public. Which one is accurate?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): First of all, let me draw some point of agreement between my hon. friend and myself.

The position of members of the Liberal Party in the last election was clear. They opposed the agreement. Right now, it is not clear and I think my hon. friend and I would agree on that. They say they would renegotiate. They do not say what they would renegotiate. If they cannot renegotiate, they do not say they know what they would do. So it is a little bit of a shell game by the Leader of the Opposition.

I wanted to respond specifically to the question of my hon. friend on agricultural objectives in the NAFTA as it related to the supply managed sector.

• (1430)

The position, as I stated in the House just a few days ago, is that we are seeking clarification and strengthening of article XI in the multilateral trade negotiations. That position is identical as far as the negotiations with the Mexicans and the Americans are concerned.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I thank the minister for answering the first part of my question and leaving us all in confusion about who is answering for the Liberals but, nonetheless, we will wait for that.

My second question concerns the draft NAFTA agreement. There are further threats to Canadian jobs in the generic drug industry, textiles, telecommunications, auto parts, transport and now we are looking at new threats in the energy sector.

I ask the minister this question and I have asked it before. Has the government done any impact studies on these areas that I have mentioned and, if so, is the government prepared to release those impact studies so Canadian citizens can see exactly what we are facing in this agreement?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend has raised five specific industries. I think my hon. friend is also well aware that the results of the NAFTA are not known. We do not know what the end result will be in these five areas.

I can tell my hon. friend our objectives. I would be happy to go through these one by one if my hon. friend would come to committee and ask me these questions. Then I could provide him with our specific negotiating objective, as I have been prepared to do at previous meetings, but my hon. friend has not been prepared to ask those types of questions.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I asked for the impact studies, not for conversation.

Some hon. members: Oh, oh.

Mr. Barrett: It appears in the document that has been presented publicly as the Canada–U.S.–Mexico free trade draft bracketed agreement that there will be an assault on provincial sovereignty.

I want to ask the minister if he is prepared, under that agreement, to shift any of the authority of the provinces to control their own resources. Specifically I want to ask about peeler logs and chips. Is it the position of the Government of Canada that if it signs an agreement with the United States and Mexico that the provincial governments would no longer have the authority to control the export of whole logs, chips or peeler logs from their respective jurisdictions?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I have two comments on my friend's question.

My friend referred to a draft bracketed text and that makes my point for me, because it is a draft text. It has the views of three countries reflected in it. It is bracketed. It means the words that are in brackets are not agreed upon. So the document that my hon. friend is referring to is a very preliminary document.

The position on matters that relate to the resource policies of the provincial governments will only be decided in full consultation with the provinces themselves. At this point there is no proposal at all to make any changes in the export of logs.

My hon. friend is well aware that we have weekly discussions with the provinces on all aspects of the agreements and it is on that basis that our policies are developed.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, this report is not about scoring cheap political points at the expense of the Liberal Party. The NDP did not understand that in the last election and apparently still do not understand it.

What is at stake here is the future of Canada. I was pleased to hear the minister responsible for trade say in this House that he personally would like to see an election. Unfortunately, his document shows that his government is trying to ram this deal through before we have a chance to go to the people.

Given the minister's comments in the House today, will he make a recommendation to the Prime Minister of Canada that no deal be signed until we go to the Canadian people?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend reminds me of a statement made in the 1984 election—there she goes again. Time and time again, my hon. friend stands up and distorts what I have just said about five or ten minutes ago in this

House. I never said that there should be an election. I said maybe that is an idea, but I did not support it.

What I did say is let us put this into context. Why would we call an election simply on one issue, an issue that is related to 1 per cent of our trade and a good deal less than the size of our economy, when there are so many other issues.

But what I do wish to ask the hon. member, if she is so anxious to get into a debate on trade, when is the Liberal Party going to state what it would renegotiate? And if it cannot renegotiate, what is its position going to be? Are we going to have it ripped up again?

Ms. Sheila Copps (Hamilton East): The minister is not here to ask questions. Right now you are here to answer them.

Some hon. members: Oh, oh.

Mr. Speaker: I am sure the hon. member can put her question in a more polite form.

[*Translation*]

Ms. Copps: Mr. Speaker, the minister keeps saying that this document has no connection with trade with the Americans and Mexico. In fact, the document discusses free trade in telecommunications, a position that is not shared by this government.

My question for the minister is this: Considering that this document will wipe out farmers in Quebec and across Canada and that it supports tariffication of our agricultural products, unlike the policy announced publicly by this government, is the minister prepared to recommend that a federal election should be held before the document is endorsed?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, clearly my question to the hon. member struck a raw nerve end. I do not think she wants to talk about the trade policy of the Liberal Party.

My hon. friend referred to telecommunications. This is a proposal that has come from the Americans. But just because they put forward a proposal, does that mean we have accepted it? No, we have rejected it.

My hon. friend raises a question concerning farmers. She waves the text in front of us. I have not seen a copy of the text. I have not seen that document. That may be the Liberals' policy on pharmaceuticals in 1969 for all I know.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, in the document in the section on agriculture, under heading "Canadian Proposal" it says that we are provided for. Tariff equivalency resulting from conversion of non-tariff barriers shall be reduced in accordance with the schedule under the proposed agreement on the Uruguay round.

How could the minister let his colleague, the Deputy Prime Minister, go in front of 20,000 farmers, swear that this government would fight to the last breath tariffication, when this minister had already given away the store, the farm and the country under the NAFTA proposal?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, there is no giving away the store, the farm and the country, that my hon. friend huffs and puffs about. We have not made any proposal in that direction at all. That is not the Canadian position.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a supplementary question for the minister. This is the man who wants to be trusted but who gave us the free trade agreement that betrayed every single trust of Canadians because they have lost their jobs.

I want to ask this question. Why is this government making the same mistake twice? Why in this proposal are we agreeing to a dispute settlement mechanism which has no subsidy code to it, therefore once again making Canadians vulnerable to U.S. trade law, to U.S. harassment, to U.S. intimidation, under a new deal that will give no help whatsoever in solving disputes?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend and I have a fundamental disagreement on the free trade agreement with the United States. My hon. friend ignores the fact that

exports are up under the free trade agreement with the United States, in spite of the fact that we have a recession in the United States. My hon. friend neglects the fact that the trade surplus between Canada and the United States is up 10 per cent again in spite of the recession in the United States.

• (1440)

There have been benefits. I can give my friend a list of companies which have been major beneficiaries. I can give my friend a list of industries that have been major beneficiaries of the free trade agreement with the United States.

My hon. friend talks about the fact that we do not have a subsidy agreement. We do have a subsidy agreement in the Uruguay round negotiations, in the Dunkel paper that was brought forward on December 20 last year. It is our intention and it is agreed upon that if that is what is the final agreement on the Uruguay round, it will be transferred to the free trade agreement with the United States and I would expect that to be the case with the free trade agreement with Mexico as well.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to remind the Minister for International Trade that while trade between Canada and Mexico may be 1 per cent, trade between Canada and the United States is much greater. It is that aspect that we are really concerned about.

My question for the Minister of Transport deals with Canadian Annex 402.1 transportation services, which states that land transportation services, like truck, bus, rail transportation, land site aspects of port activities, freight forwarding, customs brokerage and maintenance and repair of commercial land transportation equipment are given up under the North American free trade agreement. As the minister knows, all of these sectors are vulnerable. They cannot even compete today.

I want to ask him, as the minister responsible for protecting transportation in this country, how he can allow such an agreement to be written.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I remind my friend that any of the negotiating positions we are putting forward in the NAFTA are developed with the provinces and with the industries concerned.

In this case we believe that if we are going to be trading between Canada and Mexico and using our truck transportation services to move the product, surely we want to give our trucking industry the same benefits as their competition. That is what we are trying to achieve. That is the objective that we have in the negotiations, so we can keep the trucks full of cargo going from Canada down to Mexico and back.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to remind the Minister for International Trade that almost a year ago we had truckers parked on Parliament Hill, we had truckers parked on bridges connecting Canada and the U.S.A. because they said at that time that they could not compete and they wanted a better deal.

I want to put my question to the Minister of Transport who has responsibility for transportation in this country. How can this government give up our trucking industry, our rail industry and all of our other service industries, including land site activities of ports. We know that if they cannot compete today without a free trade agreement, they are not going to be able to compete if there is one. They are going to go down the tubes. They are going to go south of the border. You have got to stop it.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend does not acknowledge in his question the fact that we have responded. We have dealt with a number of the questions that the truckers expressed to us when they were here on Parliament Hill.

My colleague, the Minister of Finance, put forward a package of proposals which touched on excise taxes on fuel, on capital cost allowances and a number of other factors which have improved the competitive position of the Canadian trucking industry.

My hon. friend is wrong when he says that the Canadian trucking industry cannot compete internationally. They can compete internationally. One of the problems that they do have is high provincial excise taxes on fuel. They will not have that in the United States when they are going through the United States to Mexico and we believe that they can compete.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, this government is planning to give away, through this trilateral agreement, Canadian control of a key economic lever and a regional development tool. I am talking about our telephone industry.

Why is this government allowing American telephone companies, like AT&T, access to waltz in and dominate these new evolving telephone services. The Canadian people would like to know why the government is surrendering this strategic Canadian sector.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the simple answer is we are not. The American industry can make proposals to get into our basic telephone system. We have said no.

She asks what about the enhanced industry. In the enhanced sector of the telecommunications industry, the major value-added products, the Canadian industry is a world leader. Surely she should be on my back saying: "We have to get access to the U.S. market. We have to get access to the Mexican market for enhanced telecommunications because we are world leaders there. We can compete. There is extremely good business for us there".

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I would suggest to the minister that Canadians want to make the decisions for themselves and they want Canadian ownership of their Canadian properties.

[*Translation*]

Why has this government already tabled a bill that would leave the telecommunications field wide open to the Americans and thus allow them to take over Canadian industries? Isn't it true that the government is implementing its trade agreement through the back door before it has even been signed?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my colleague the Minister of Communications tabled a bill, I believe on February 27, which reconfirms the 80 per cent ownership of that industry.

That is not the subject of negotiation.

Mr. John Manley (Ottawa South): Mr. Speaker, I would like to go back to the Minister of Transport on the issue of the proposed NAFTA agreement and the wording in it which the Minister for International Trade has suggested will not be affected as a result of the uneven playing field on which the Canadian transportation industry currently operates.

The minister should know the dangers that have been raised again and again by our truckers most recently, as well as by our rail and other land transporters, have been related to the lack of an even playing field between Canada and the U.S.

Why does the minister not have some solution to this lack of an even playing field to put forward before turning Canada's land transportation industry over to the hub and spoke where Canada will be one of the weak spokes on a U.S. hub?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I just commented in response to a question from the New Democratic Party that we have made some changes to the tax system which affect the competitiveness of the Canadian trucking industry. I think my hon. friend should be calling on some of the provincial governments to match what we have done in order to build upon those changes and help build the level playing field that he is looking for.

As far as the objectives that we have in this proposed agreement with the United States and Mexico, our objective is to enter into any changes in trucking or other land transportation relationships which will strengthen the industry here in Canada.

Mr. John Manley (Ottawa South): Mr. Speaker, let us continue with transportation and go from land to water.

The government knows that in the Jones act, the United States has a major element for protection of important parts of its transportation network. We now know that the government is willing to give up on our land transportation to continental pressures.

How can the government be so cavalier about Canada's land transportation system in the face of very severe U.S. protectionism on the water?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, if my hon. friend would refer back to an answer I gave in the House two or three months ago, I said that one of our objectives is to break open the Jones act. That is one of the key objectives of the policy.

REGIONAL DEVELOPMENT

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Public Works and it refers to the fixed link which will have a very dramatic impact on the economy and provide a tremendous boost to all of Atlantic Canada.

I wonder if the minister could give us an update on the status and outline the economic impact. Also, will the opportunity be made available to the Atlantic region?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I realize, and the House realizes, the interest of my hon. colleague in this project.

I am not a prophet but I can say to him that I do believe that if we can perhaps overcome some of the obstacles and have the enthusiastic support of the Atlantic premiers, this project will provide considerable numbers of jobs during construction. It will obviously enhance tourism and regional economic development.

• (1450)

I believe that with the co-operation of our government and the provinces, this will be a substantial and perhaps very tangible project that will help the economy of Atlantic Canada in years to come.

* * *

[*Translation*]

FALSE INDIAN ID CARDS

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, my question is directed to the Minister of National Revenue.

Hundreds of business people in Quebec and Ontario failed to charge taxes on items purchased by holders of false Indian ID cards, fraudulently issued by an organization called Amitiés autochtones hors réserve.

Since the real culprits are the federal departments that failed to take immediate action to deal with this swindle, which has been going on at least since September 1991, could the minister give the House the assurance that instead of harassing these business people, the Department of National Revenue will inform Canadian businesses of the rules that apply when a genuine Indian makes a purchase in their establishment off the reserve?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, first of all I would like to assure the House that we do not harass anybody. In fact, yesterday's headlines and an audit report confirmed that tax collectors are being nice. "Tax men gentle, a federal audit finds". In fact, we have become a gentler and a kinder department than the one we we inherited from those hard-headed Liberals.

Specifically, I would like to answer the hon. member by saying that the simple presentation of a native ID card does not exempt anybody. Exemptions of the GST are only allowed for purchases of goods or services on the reserves or if the delivery is made to the reserve.

I will conclude by saying that there is an extensive educational and consultative program with aboriginal people on reserves, as well as across the country, for the benefit of all business people.

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OLYMPIA & YORK DEVELOPMENT LTD.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, once more it appears this government is answering the bugle call of Bay Street, calling for a bail-out for bad investments.

It seems the market is quite happy to have the government intervene when the wealthy few play Monopoly with taxpayers' money.

My question is for whoever is answering for the Minister of Finance today. It seems Olympia & York, the Monopoly tycoons have over-built on their version of Park Place and are being forced to restructure an estimated $20 billion, of which more than $2 billion is owed to Canadian banks.

Will the minister assure Canadians that the banks will not get any special tax breaks nor be allowed to write off real estate speculation on the backs of Canadian taxpayers.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the government has had discussions with national financial institutions and international financial institutions together with the Government of Ontario in assuring that there will be little disruption in the financial markets. I believe that is the

role of the federal government. No decisions have yet been made. Discussions are ongoing.

I will be pleased to inform the hon. member and the House if any decision is made in the near future.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my supplementary question is for the minister of corporate and consumer affairs.

Our experience has been that when Canadian banks have a $2 billion haemorrhage, they turn to their domestic blood banks.

Will the minister immediately order his department to closely monitor bank service charges so they are not used as a blood transfusion for Olympia & York?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, as far as the banks are concerned, I would have preferred the hon. member to congratulate us on getting the banks to reduce interest rates on credit cards. This is something the hon. member has been demanding for months, and there has been a significant reduction. I would have preferred that.

However, as far as the hon. member's question is concerned, my department will monitor the situation very closely. Since no decision has been made so far, we will look at the situation very closely, but since no decision has been made one way or another, I have nothing to report at this time.

* * *

[*English*]

TRADE NEGOTIATIONS

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

The Minister for International Trade will know that the Prime Minister has repeatedly said, as well as members of the cabinet, that the top priorities of this government in negotiating a trade arrangement with Mexico and the United States included the protection of the environment, protecting health standards, protecting safety and workers' rights.

In this 408 page document released today by the Action Canada Network, there is no reference of substance to the so-called top priorities. I want to ask the Minister for International Trade, what happened to health? What happened to safety? What happened to the commitment to the Canadian environment and to the international environment? What happened to the rights of Canadian workers?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is well aware of the fact that we made it clear right from the start that we were not negotiating the matters he refers to as an integral part of the trade agreement.

We have some very extensive discussions under way on the labour standards, on environmental regulations, on environmental protection and enforcement, on a parallel basis with the Mexican administration. My colleague, the Minister of the Environment, was in Mexico quite recently in support of our efforts in this regard. We have had discussions with the labour movement in Canada as to how best we should conduct these discussions and negotiations on labour standards. That work continues.

I might say to my hon. friend that it is being effective in drawing out some agreements. My colleague on the environment and the Secretary of State for External Affairs announced something quite recently to assist the Mexicans in enforcement. My hon. friend is well aware that the problem with the Mexicans and the environment is not environmental standards. It is in the enforcement of those standards where we are determined to give them every assistance we can.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, despite the honeyed words of the Minister for International Trade that we are entering into some kind of inconsequential agreement, it is now clear that this is a massive, broad and sweeping agreement as outlined in the document released today.

It includes transportation, telecommunications, agriculture, foreign investment and much more. I want to ask the Minister for International Trade, given the comprehensive nature of this agreement which will entrench the Canada-U.S. trade deal, whether he believes this government at this stage of its life, at its current level of support among the people of Canada, has the moral authority to obligate future governments to try and untangle the mess this government attempts to create once again in matters of trade with third parties.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend referred to the free trade agreement with the United States.

If my hon. friend would study the facts and look at some of the industries that have done well under the free trade agreement with the United States, he would not make these sweeping accusations, these sweeping denunciations of the free trade agreement.

If he had looked at the agriculture sector, if he had looked at the wine sector, if he had looked at the high technology sector, he would see that there are substantial improvements in the competitive position of Canadian companies. If he would look at some of the companies that have been successful in the ladies fashion sector, seeking out market niches in the United States and doing very, very well as a result of the access that they have to that market. It is this sort of blanket denunciation—

Mr. Speaker: I think we have to move on.

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OLYMPIA & YORK DEVELOPMENT LTD.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Acting Minister of Finance in the absence of the Minister of Finance.

Yesterday the minister confirmed that discussions were under way about the Olympia & York situation with the Government of Ontario, financial institutions both domestic and international as well as the Bank of Canada and the Bank of England.

Since it has been reported that the Canary Wharf project of London, England is a major factor in the Olympia & York situation I ask the acting minister this question. Is the government discussing solutions in this situation not only with the Bank of England but also directly with the British government itself? If not, will Canada be taking this step as well?

• (1500)

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the banks are acting to stabilize the situation with the company both in Canada and internationally.

Our discussions are ongoing together with the province of Ontario. To date they have not involved the Government of Britain.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplementary question.

Could the acting minister inform the House in greater detail about the role of the NDP Government of Ontario in this Olympia & York discussion?

Furthermore, will the minister confirm to the House that his priority and that of the government itself is to bring about a private sector solution to the Olympia & York problem?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the answer to the first question is that the discussions which are ongoing with the province of Ontario are designed to stabilize the financial markets.

The answer to the second part of the question regarding a private sector solution is yes.

Mr. Speaker: There will be two questions: a single question from the hon. member for Bramalea—Gore—Malton and a single question from the hon. member for Lac-Saint-Jean.

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PEARSON INTERNATIONAL AIRPORT

Mr. Harry Chadwick (Bramalea—Gore—Malton): Mr. Speaker, my question is for the Minister of Transport.

With the recent announcement of the proposed privatization of terminals 1 and 2 at Pearson International Airport, the government has found a way to save millions of dollars in financing terminal modernization and management.

Will the government provide Pearson with some relief by turning the moneys it hopes to save toward the development of alternative airport infrastructures in the region, or will the burden continue to fall on Pearson and the surrounding communities even after the airport's 28 million passenger capacity has been reached in the late 1990s?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I am very pleased the member has asked that question because it gives me the opportunity to remind him that the environmental review panel on the additional runways at Pearson is still outstanding.

When we have this report, and depending on what is decided through that report, we will re-examine the master plan for all southern Ontario airports. At that time we will be able to determine what financial arrangements are possible.

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[*Translation*]

McDONALD COMMISSION

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is directed to the President of the Privy Council. We all read in the media about part the testimony of a senior RCMP officer who appeared before the McDonald commission.

Eleven years after the commission's report was tabled, Canadians are still waiting for the publication of seven chapters of the report, which deal with some very interesting items, including the theft of PQ membership lists, a barn burning, and so forth.

My question is this: Why is the government so reluctant to release seven chapters that undoubtedly contain the answers to the serious questions that are now being asked?

[*English*]

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I wish to advise my hon. friend that the McDonald commission looked into all of the allegations at the time and considered all of the evidence.

At the present time, unless there is some new evidence, the government has no consideration to opening up any new investigations.

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PRESENCE IN GALLERY

Mr. Speaker: I wish to draw the attention of members to the presence in the gallery of Dr. Lefteris J. Papinikolaou, member of the Greek Parliament.

Some hon. members: Hear, hear.

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, pursuant to Standing Order 83(1), I wish to table a notice of a ways and means motion to amend the Customs Act and the Customs Tariff, and I ask that an Order of the Day be designated for consideration of the motion.

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POINT OF ORDER

COMMENTS OF MEMBER FOR CARIBOO—CHILCOTIN

Mr. Jim Fulton (Skeena): Mr. Speaker, I was just wondering whether you had an opportunity to review the point of order that I raised last Thursday regarding a statement made in this House by the member for Cariboo—Chilcotin.

Mr. Speaker: I know the hon. member is anxious about that and I will do everything I can to report to the House tomorrow.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—NORTH AMERICAN FREE TRADE NEGOTIATIONS

The House resumed consideration of the motion of Mr. MacLaren (p. 8670), and the amendment thereto of Mr. Barrett (p. 8685).

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I welcome this opportunity to speak today on the topic of North American free trade. It gives members of Parliament and the Canadian public a better chance to understand the deal, as difficult as that may be, given the secretive nature of the negotiations.

I wonder where the cabinet is today and where they have been on this issue. Other than the Minister of Forestry, no other member of the cabinet has spoken on this issue today, or even been here so far for the debate. Given the importance of this deal, I cannot see what could be more important for these ministers than to

stand up in public today and explain to Canadians why we should support a North American free trade deal.

The government is hoping to conclude the deal by next month and is rushing through the negotiations. As a result, the majority of Canadians have no idea what is going on. Certainly we all have the right to know. The House of Commons Standing Committee on External Affairs and International Trade, in its report to Parliament entitled "North American Free Trade", said quite clearly it wanted the Canadian government to consult with Canadians on this issue.

I do not believe this government has responded adequately to the House of Commons call for this request. For instance, I doubt many Canadians realize that a deal reached with the three countries will have major implications for agriculture in this country. Obviously much time and effort has gone into pressuring the government to ensure that our system of supply management is maintained. This is essential to any country that wishes to secure a supply of food for itself.

We have been under international pressure, namely American pressure, to do away with our border protection and supply management.

The importance of a viable Canadian farming sector centres around the ability of a nation to produce its food and secure its supply of food for the present and the future.

Sovereignty and nationalism are inextricably linked to the ability of any nation to feed its people. Without a viable Canadian farming sector there can be no food security for Canadians. This is in danger in these negotiations.

Obviously there is a lot at stake both in Geneva and now at the NAFTA negotiations. In both instances Canadian agriculture is on the bargaining table. Frankly, farmers in this country do have a reason to be worried.

Although we have been given assurances by the government that it will stand by its promise to strengthen article XI of GATT, we know the importance it is placing on reaching GATT and NAFTA agreements. Once again agriculture is at the centre of the negotiations and in fact an obstacle, as some say, to a successful deal.

The Americans are insisting we move to a system of tariffication and end supply management in this country. Given the argument I have just made for the deal, this is potentially dangerous for our agrifood sector in Canada and for Canadian farmers.

Before we rush into another agreement, the government must face some of the facts about the free trade agreement we presently have with the United States. First and foremost, the government must recognize that the free trade deal is not providing secure access to the American market as it was originally intended to do. The dispute mechanism is laughable. It is certainly not a genuine shield against American protectionism. Softwood lumber and Honda automobiles are prime examples of this. We need fair trade rules now. How can we possibly enter into a new trade agreement with so much going wrong with the present one?

• (1510)

What about the impact of the new agreement on the Canadian public and economy? These questions need to be answered. A federal government document indicated there was much to be lost. In fact, it said it could cost jobs and undermine some of our cultural industries. In my reading, the document shows there would be very little Canadian gain, if any.

This government desperately wants a deal, so we are naturally concerned the government would be willing to sign a potentially flawed deal just to get one. Parliament is being denied a chance to examine this proposed North American free trade agreement. We have to find copies of it in little brown envelopes just to find out what is going on in the deal. Even though the American and Mexican legislators have already been briefed, there has been no similar briefing done here. It has been leaked to many newspapers across the country, including the *Toronto Star* and we still know nothing about this deal. The lack of cabinet involvement in this debate just underscores this point.

We do not even know what the government's minimal objectives are. We need questions answered. What are the economic costs and benefits to Canada? Will this government be part of a trilateral agreement which does not include a subsidy code and or a prompt and binding dispute mechanism? Canadians have a right to know. Canadians have a right to know what the government plans to do with the snap-back mechanism which would permit tariffs to be phased out over a period of time if dumping occurs.

Any agricultural package that does not include a snap-back provision between Canada and the other two countries will certainly help to dismantle the Canadian horticultural industry. How can domestic producers of fresh fruits and vegetables possibly be protected should import prices drop dramatically?

Certainly this is a real threat, given the climate and lower labour costs in Mexico which will allow them to be competitive in a North American market.

What about the inclusion of other countries? Has this government regarded the possible formation of a North and South American free trade area? Canadians have a right to know. The Canada-U.S. Free Trade Agreement did not include any rules for a third country, such as Mexico, jumping in. That is why we are having the debate today. We do not have the so-called preferential access the government here claimed during the last election and which it has claimed over the last few years. What will the cost be to Canada? Where is Canada's so-called preferential treatment? What is the government doing about a subsidy code? What is it doing on a dispute mechanism that will be prompt and binding? When is the government going to share with us in any meaningful way what is going on in these negotiations?

Earlier in the week, the minister said this is commercially confidential information. We do not want commercially confidential information. We want to know what is going on in the negotiations and what the government's bottom lines are. Canadians want an assurance from this government that it will not, once again, sell them out at the negotiating table.

The one thing for sure is that everything is apparently back on the table in these negotiations. Once again, after we have given a little here and a little there, we will end up with another flawed agreement. In other words we will end up with nothing, so let us do ourselves a favour. Let us get these basic questions answered first before we, once again, sign on the dotted line and sign our country away. Let us just think about it.

Mr. Ronald J. Duhamel (St. Boniface): I thank my colleague for his remarks. I noted some particularly insightful comments with respect to agriculture and the pressures that our farmers, in the broadest sense of the term, have suffered during the last few years, not only at the GATT, but also because of the Canada-U.S. trade agreement. He has also indicated this particular trade deal is being negotiated with much too much secrecy. It is unfortunate we have to get our information through leaked documents.

I have three areas I would like him to comment on. I have a particular interest in adjustment programs for workers. We were promised them in the Canada-U.S. trade agreement—the best in the world—and we know what happened. There were none.

Do we have any sense now, from any leaked document or reports in the newspapers, what the negative impact might be on the Canadian worker as a result of this Canada-U.S.-Mexico free trade agreement, this North American free trade agreement? Do we have any information at all that might be useful to the Canadian public?

Finally, I am concerned, as I know my colleague is, that environmental standards might deteriorate significantly as a result of that agreement. We know there have been some problems with the Canada-U.S. Free Trade Agreement.

Mr. Speller: Mr. Speaker, I thank my hon. friend for his question.

Adjustment programs are something we have been asking the government for since the last deal came in. A study was done on the whole issue which suggested there should be adjustment programs in certain areas to help Canadian workers adjust. Unfortunately the government ignored these requests.

I do not believe the government is even willing to reconsider that. I do have an idea though, from reading through the government's own documents, that these sorts of programs will be needed. The government's own documents suggest many areas across Canada will be adversely affected by this deal. I just do not believe this government has the will necessary to bring in these adjustment programs.

As I said, government documentation and other documentation, including some good work done by the Canadian Labour Congress and groups in the United States, suggest there will be some detrimental impact on Canadian workers.

Unfortunately, we do not really have a lot of work put out by the Minister of Labour, who is supposedly sitting in his position there to help Canadian workers. We have seen nothing from him. He is not even taking part in this debate today to help alleviate some of the fears of these workers. I do not get a sense the government is willing to provide any help for the negative impact on these workers.

In terms of the environment, I am sure my hon. friend has heard the questions by our colleague from Davenport who has been very concerned about the environmental impact of such a deal, and whether or not our environmental standards will be lowered because of such a deal.

I have read about it and talked to certain committees, trying to find out the government's position. The government takes the opposite view that we will raise Mexican standards to the Canadian level. But it really has no plan and has given us no policy papers or information to show how it plans to do it in the context of these negotiations. The fears are there, and I would suggest all those Canadians who are concerned about this issue—and a number of Canadians across Canada are concerned about the environment—write the Minister of the Environment and ask him specifically what he is going to do to protect Canadian environmental systems within the context of this deal.

Mr. Iain Angus (Thunder Bay—Atikokan): I want to participate in the debate today because of what I have now learned is in the draft NAFTA agreement. The motion before us condemns the government for its lack of openness and failure to ensure Canadians had access to the draft agreement so they could make some knowledgeable decisions to help put pressure on the government for particular changes. Having read the Canadian annex 402.1, dealing with transportation services, I can understand why they did not want the Canadian public through their MPs to know. It is horrendous.

• (1520)

I want to read some sections because they make me very angry and I think they will make Canadians in the transportation sector even angrier because it is their jobs that are on the line.

Annex 402.1, that is the Canadian version, called chapter 14 for the Mexican version and 05.1A for the American version, says that "this annex shall apply to all measures of a party related to the provision of land transportation services by a national or other party. For purposes of this annex, land transportation services means: (1) truck transportation, (2) bus transportation, (3) rail transportation, (4) landside aspects of port activities, (5) freight forwarding, (6) customs brokerage, (7) warehousing except for those activities covered by chapter", whatever it is called, "financial services: (8) maintenance and repair of commercial land transportation equipment, (9) pipeline operations except for those covered by the energy chapter, and (10) courier services".

That is a very comprehensive list. The only thing that is not on the list is air. As we speak, just down the road at the Chateau the Government of Canada and the Government of the United States are working on a bilateral air agreement which will in effect deregulate air travel between Canada and the U.S.

This agreement as drafted, and I am not exaggerating when I say this, will mean the end of a Canadian based transportation system for road, for rail, road for both trucking and bus. The sheer economies of scale will dictate that it is more efficient to locate the head office, the main branches, whether it is rail or the main routes or what have you, the hubs, in the United States, serving both Canada and Mexico.

We saw that kind of pressure between Canada and the United States certainly a year go when the truckers parked their vehicles outside the House of Commons, tied up traffic in downtown Ottawa for a number days and also in Windsor and other border crossings where they literally blocked access between Canada and the United States. They pointed out rightfully how unlevel the playing field was. Whether it was because of fuel taxes, whether it was because of write–offs, and I do not care whether it is federal responsibility or provincial responsibility, the bottom line was they could not compete.

There were American truckers loading up their products, filling up their gas tanks just south of the border, travelling all the way to Montreal to drop off their products, turning around and going back and in some cases having to be topped up by jerry cans while on the top of the bridge on the international crossing. That is unfair competition.

The minister in the House earlier today said: "But we did things for them, so therefore it is okay". Yes, they did. They gave them some tax breaks in terms of the write-offs. They also gave them some breaks on the 4 cents per litre excise fuel tax. In effect, what they have done though through NAFTA is tear up all those items of assistance that will no longer be allowable under NAFTA if this agreement were ever to be approved.

Why am I so concerned? Let me go back to when this country was formed and the reason that we developed a rail infrastructure that went east-west rather than north-south. Sir John A. Macdonald knew that if we did not have those linkages from east to west, we would very quickly be gobbled up by the United States of America. It would have made more sense to run a railway from Thunder Bay down into the Chicago area, to run a railway from B.C. down the Pacific coast, to run a railway from Toronto down to Buffalo and points south. We never would have had a country. But the reality of 1867 is the reality of today. If we do not have those east-west transportation links owned and operated and maintained and managed by Canadians, we are not going to have a country.

This agreement in effect gives American railroads the right to come and operate on our tracks. It gives American trucking companies the right to come and operate on our roads. It gives American companies the right to come in and handle our cargoes in our ports. They cannot really touch the ships but as soon as it is on land, they can do everything else.

In fact I would like to read one of the American proposals into the record. "The U.S. has proposed that such activities will include the operation and maintenance of docks, loading and unloading of vessels, marine cargo handling, operation and maintenance of piers, ship cleaning, stevedoring, transfer of cargo between ships and trucks, trains, pipelines and wharfs, waterfront terminal operations, boat cleaning, canal operation"—canal operation? Are they going to take over the seaway locks and operate them?—"dismantling of ships, operation of marine railways for drydocking, marine surveyors"—except cargo—"marine wrecking, ships for scrap, and ship classification societies".

That is what the Americans want included in the North American free trade agreement. If this Government of Canada ever says yes then you will see thousands of jobs in the maritime sector taken away from Canadians and given to Americans and eventually given to Mexicans. That is unacceptable. As a society and a country we cannot tolerate that kind of change.

I should point out, Mr. Speaker, that I am sharing my time with my colleague. If you would give me the ten-minute notice so we can go into the five-minute question and comment then I will turn it over to my colleague.

There is another aspect I want to raise and again this is a proposal from the Americans. I realize I have just two minutes.

We went through a major debate in this House in this country over whether or not we should control transportation through regulations. The government of the day followed what the Liberals started before them and went for deregulation. Instead of the old means test of whether it met the test of public convenience and necessity, i.e. an economic test, we went for something else.

If the banker gave you the money, you could go and operate the service as long as you had a safety certificate.

The Americans want to include in this North American free trade agreement the following limitation: Limitations on the number of land transportation service providers in the form of numerical quotas, monopolies, exclusive land transportation service providers, or the requirement of an economic means test.

I read that to suggest that the British Columbia government could not prevent an American railroad from operating on the B.C. Railway. The government of Ontario could not prevent them from operating on Ontario Northland. That is what this would mean if Canada ever accepted it.

Mr. Speaker, I have enough here for a 50-minute speech if not more. I realize I do not have the time, but I want to say to you we thought the free trade agreement between Canada and the U.S. was bad. Thank God it did not include transportation. What the NAFTA agreement is trying to do is do what the free trade agreement did not do and that is sell out the rest of the Canadian infrastructure, to sell out our transportation whether it is rail, buses, trucks, part of our ports, even our processors, our freight forwarders, our customs brokers. All of those

things are being sold out by this agreement and this government should be stopped now.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my colleague will know that I come from a province where transportation is of particular importance. I want to make sure I have understood clearly the message that he has put forward. He has indicated that subsequent to the Canada–U.S. trade agreement, transportation was not a major item, but in this NAFTA agreement it will touch virtually every sector, whether it is ports, airports, road transportation or any type of transportation. I recall in his initial remarks that he even talked about courier systems. It went that far.

• (1530)

I would like to ask my colleague what impact he believes it would have on a major transportation province such as Manitoba. I recognize that there are a number of other spots across the country that are equally important in terms of transportation. Clearly, Winnipeg and the province of Manitoba are extremely important to Canada and to western Canadians as a transportation centre. Perhaps he could comment.

Mr. Angus: Mr. Speaker, I welcome the question from the member for St. Boniface. There are a couple of areas that will be affected. I could use Winnipeg as an example. More appropriately, we will use Transcona as an example. Transcona has a repair maintenance facility. This is not in the part that is bracketed, not labelled as a U.S.A. suggestion or a Mexican suggestion. This is in Canada's annex, as is.

Land transportation is defined to include maintenance and repair of commercial land transportation equipment. That means if this were to be passed, there would be no prevention of CN or CP having all their maintenance work done south of the border or even further south in Mexico to the loss of thousands of jobs, whether it is in Winnipeg, Thunder Bay, Montreal or Moncton or wherever. Although I realize a lot of those jobs have already gone.

That is in this proposed agreement, that there would be no restriction on where maintenance work had to be done. Therefore, CN as a Crown corporation could not be told: "Thou shalt repair and maintain in Canada".

One of the concerns we had yesterday with the CN announcement of the purchase of the 25 new locomotives from Erie, Pennsylvania, was whether or not there was a maintenance contract as well. We checked and no, there was not. At the very least CN has not predicted the outcome of NAFTA. But certainly that potential is there.

There are other aspects that deal with how a transportation hub like Winnipeg would operate and also in terms of maintenance. There are very specific references in here to maintenance of equipment, of mutual standards that will be used across the three countries which will affect the quality of workmanship done in Transcona. I would suspect it would be a dilution of standards as opposed to everybody coming up to Canada's high standards.

Any way you look at it, it is a rotten deal.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I appreciate the opportunity to ask a short question on the transportation side of the free trade agreement.

I have always had a concern about water in the free trade agreement. I have always believed that if we were to ask the President of the United States for a protocol letter exempting water from the free trade agreement that he would probably refuse to give it to us. That would ultimately lead, in my opinion, to a position where we would be forced to abrogate the deal immediately because most Canadians believe water is not a part of the free trade agreement.

My question is to the senior member of the New Democratic Party. What is your position on water in the free trade agreement?

Mr. Angus: Mr. Speaker, there is no question that water should not be part of the free trade agreement. We argued that. My colleague, the member for Kamloops, and I jointly sponsored legislation in this House that would prevent the export of water.

There is an interesting twist though because when we talk about export of water, people tend to think of the bottled variety. We have a situation near Chicago right now where a municipality is looking to divert additional water from Lake Michigan for municipal sewage treatment purposes and then, I assume, dump it into the Mississippi. Right now the IJC controls that. A separate international agreement controls that. Under the free trade agreement maybe they can take us to the dispute settlement mechanism to see how American law is interpreted.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, today we are debating the proposed North American free trade agreement between Canada, the United States and Mexico.

I take the position that this deal is not in the best interests of Canada and in fact can do more harm than good, given the circumstances of the political situation, the bargaining position of the three countries and the differing political institutions that exist in each of the countries.

We have only to go back a few years and look at the negotiations between Canada and the United States to reinforce why I am concerned about some of these problems. Canada and the U.S. had their negotiations. Canada is about one-tenth or one-eleventh the size of the United States. The bargaining positions of the two countries showed in the agreement. Politically the United States is a superpower, but of more importance, in negotiating international agreements with them, is their quite different constitution and their very much different attitude on the powers of Congress and the powers of the President.

Our government went into the negotiations with the naive assumption that the President of the United States spoke for his country in a manner not unlike the way the Prime Minister of our country speaks for this country. That is patently untrue and impossible.

The U.S. Congress holds the rights carefully to its bosom to change trade law and to be responsible ultimately for any international agreement that the United States President and his administration might attempt to negotiate.

Our negotiators, our government in particular, did not seem to be aware of what that means in the long term. Some of us from western Canada that have dealt on a so-called free trade basis with the Americans understood how it worked. We have traded in red meats, beef and hogs for 50 years under a so-called free trade agreement. Any time we start to make inroads into their markets in a way that has a definite economic advantage to Canada, ways and means are found in the Congress of the United States to make certain that trade does not continue at the same pace. So there have always been interruptions to that trade.

After we signed the trade agreement, which the government and its proponents said would forever and ever do away with that kind of dispute problem, immediately we were faced with a pork countervail which has been resolved for the moment, but the resolution of that countervail is still in some doubt. American congressmen and American pork producers are still convinced that because two of the people involved in the countervail action had some doubts about whether American law was being adhered to, the whole process will begin again as soon as the price rises enough to make it worth while for American producers to block the shipments of Canadian pork into that country.

The phrase "according to U.S. law" is something we will have to get used to if we are going to be dealing with so-called free trade agreements with the Americans, whether it is on a bilateral basis, Canada-U.S., or a trilateral basis with Mexico, Canada and the United States.

Essentially Congress will not give up, and has every constitutional right not to give up, the right to permit any president, whether it is President Bush or Reagan or any successor, to give away by international treaty that right. It can be worded as clearly as we like in the agreement that Canada and Mexico or any other country might want to sign, but ultimately Congress can overrule that and whenever there is a dispute, ultimately it is U.S. law that must be adhered to, not the agreement.

As long as we get the ground rules straight, we will have a good ball game. We will also know that because those are the rules we will probably lose most of the innings but we will have a good ball game as long as we understand that. Unfortunately this Prime Minister and this government do not seem to understand what the rules of the ball game are.

• (1540)

We have seen some drafts now, thanks to U.S. freedom of information laws and the propensity of Americans to be able to get information. We also had information from some of the people in Mexico as to what was being discussed.

We could not rely on our own government to supply this kind of information. We had to go overseas to find out just what our country is saying at these talks and what we have agreed to.

Until February 21 or 22, it appears that Canada's negotiating position on agriculture, which I will speak about for a couple of minutes, was pretty much the same negotiating position that it took into the international talks at the Uruguay round starting in 1986, which was and continued to be until some time during 1990 or 1991, a policy of transferring all subsidies and all government interventions in agriculture into a tariff, in other words, tariffication.

Once again, as it was in Uruguay and in the NAFTA, this business of seeking tariffication is the official Government of Canada position. That is unfortunate because at home, under pressure from dairy producers and producers of poultry and eggs that realize that this is the death knell to their commodity production in Canada, the government is saying at GATT that that was not really its position.

It changed it some time in 1990 or 1991, and there is some paper to show that there was a memo sent at that period of time at GATT. So far, there does not seem to be any paper saying that Canada's position on tariffication is any different, except as a hard line tariffication proposal under the NAFTA.

The dairy people, the poultry people and the egg people are once again being forgotten in the negotiations because the government is following a clear, hard line tariffication stance. It is a clear, hard line that suits an economic development model that is dependent on the corporations doing all of the development, but it is not one that fits very well the purposes of ordinary Canadians.

We have thousands and millions of people in Canada who are small business people from farmers to retailers, wholesalers and even small manufacturers. They are not covered by that kind of policy. They are left out. It is presumed they do not matter, that they cannot be globally competitive, which is the watchword or catchword that this government is attempting to follow.

Canadian farmers and small business people will be relegated to the same position that the Mexican peasant will be relegated to if the Mexican government gets its way, which is to make it possible to sell land to international corporations for agricultural development.

That may sound like a fairly innocuous matter when you live way up here, several thousand miles from Mexico, but that country has had several revolutions over those lands that are held in the name of the country of Mexico for the use of thousands and millions of Mexican peasant farmers who have no other access to land. That is their right.

It was fought for several times in several revolutions and this is the only land that the Government of Mexico has available for sale to foreign corporations.

The current Government of Mexico seems intent upon following a policy similar to this government of selling all of its assets. It appears that farmland is going to be one of those assets. The result will be very cheap land to international corporations which will probably sell fruits and vegetables into the more northern parts of North America.

As farmers in this part of the world, we will be hard pressed to continue producing fruits and vegetables at all because of an agreement that is not a fair agreement. It is set out to purposely get rid of small producers, small business people so that a theory of international control can prevail.

We do not think this is fair or practical. It makes no sense economically. It makes even less sense to people who believe in democratic principles. We think it is time these 500 pages were trashed and the negotiations ceased immediately.

Mr. René Soetens (Ontario): Mr. Speaker, I listened with intent to the hon. member. He was concerned about small business and I appreciate his concern.

With the existing free trade agreement, U.S. law certainly applies. What he failed to comment on was that, of course, Canadian law also applies. If Canada feels mistreated, it still has the power within Canadian law to do exactly as the U.S. Congress would like to do in regard to American law.

The question I would like to ask is this. Prior to the free trade agreement, if the U.S. Congress decided to enact some law that was designed to get at some foreign country, and for a moment I will use Brazil as an example, but it could be any country because of some export proposition that is going on, Congress would pass this act which would restrict the exports from Brazil. But it did not deal with countries, it dealt with products. Canadians business would be affected by that enactment of U.S. law against some foreign export into the United States.

Canadian small business would be faced with the challenge in trying to convince the U.S. Congress that Canada and in particular its products ought to be exempted under U.S. law.

Under the U.S. free trade agreement, Canada specifically has to be named in any U.S. law in order for it to be affected. Would the hon. member not agree that it is much better for Canadian small businesses not to have to worry about being side-swiped by some act of the U.S. Congress against some Third World or some other country than it would be to enforce on Canadian small businesses, as it was prior to the free trade agreement, the horrendous cost of trying to convince the U.S. legislatures than in fact the small businesses in Canada was not the cause of their problem.

Mr. Althouse: Mr. Speaker, I think the hon. member raises a very good question.

If he had been reading and analysing the news lately or talking to the kind of small business people that I talk to in my riding where we still attempt to have a softwood lumber industry, he would know that it does not even matter whether they are forced to name Canada or not. They have no compunction about slipping the word Canada or Canadian as an adjective before the product they have decided to act against.

There had no problem naming Canadian Honda cars. They had no compunction about naming Canadian softwood lumber. It does not worry them to add that word. They can say and write Canadian and it does not seem to bother them one iota. I do not think that that clause in the agreement made any change in the attitude of American legislators and made no difference to the access of our small business people to that market.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, it is a pleasure today to take part in this debate. I am delighted to be able to talk about the way this government has deliberately and conscientiously sought the views of a broad cross-section of Canadians on trade policy questions.

Contrary to opposition claims, Canadians' views have been critical of the way in which the government has pursued the North American free trade agreement involving Canada, the United States and Mexico. The opposition wishes to cancel Canadian involvement in NAFTA negotiations.

Hon. members opposite contend that the government has shut Canadians out of the process. In holding this view, they are frankly strangely oblivious to the well organized, carefully planned and thoroughly detailed set of consultations with Canadians that this government has undertaken for more than six years. I regret the opposition's belated awakening to the importance of the North American free trade negotiations.

If they had examined the initiative earlier, hon. members would have been aware of the extensive consultations that have taken place to date. Still, the debate today allows me to outline just how thorough that process has been.

• (1550)

The government has in place a broad and strong network of advisers that has helped us develop our national strategy. The heart of this network is the International Trade Advisory Committee, or ITAC. It is made up of representatives of business, labour organizations, the academic and research communities, consumers, cultural industries and environmental groups.

Its role is to provide a two-way flow of information and advice between the government and the Canadian private sector. In addition to ITAC there are 15 sectoral advisory groups on international trade, known in verbal shorthand as SAGITs.

The SAGITs bring together business, labour, academics, researchers, consumers and environmentalists who are involved in specific sectors of the Canadian economy ranging from the agrifood sector to transportation services. These groups serve as vehicles for the two-way flow of information and advice between the government and particular industrial sectors. The SAGITs are influential in themselves, but the chair of each SAGIT also sits on ITAC, which further enhances their role.

This network was not dreamed up yesterday; it was established in 1985 to provide advice for the negotiations for the Canada–U.S. Free Trade Agreement. It continued and still maintains a crucial advisory role in the Uruguay round of multilateral trade negotiations under the GATT, and its assistance has been invaluable in the negotiations toward NAFTA.

ITAC first examined the subject of a NAFTA in 1990 as the government began to consider whether to enter into the three-way negotiations with the United States and Mexico. So hon. members can see that the government had the benefit of its advice in choosing to join the NAFTA. It is a decision that we made in February of 1991.

ITAC meets regularly with the hon. Minister for International Trade, as often as four times a year. The last meeting was in December. Many of the SAGITs meet more frequently still. Some individual SAGITs have discussed NAFTA more than half a dozen times since the actual negotiations began last June in Toronto.

The assistance of ITAC and the SAGITs has not only been useful, it has been vital. With 19 working groups within the negotiations examining often highly technical details, the government's negotiators simply cannot afford to be without expert advice. The government knows full well that for the members of the SAGITs trade is not abstract theory. Trade is their livelihood and trade policy helps to determine their future.

The government has undertaken this consultation process because it is aware of this awesome responsibility. The interests of all participants in the Canadian economy must be carefully taken into account.

Let me stress that these advisory bodies are not representative of business only. Labour, academics, researchers, consumer groups, representatives of cultural industries, and environmentalists all are also active.

The government was particularly pleased when the Canadian Labour Congress decided to join ITAC after the Canada–U.S. Free Trade Agreement in 1989. It was unfortunate that government was unable to benefit from the CLC's wide experience and knowledge during the original free trade agreement negotiations. We were thankful for the participation of the Canadian Federation of Labour which represents an important group of Canadian workers, especially in the important construction industry.

But a truly representative advisory network needs the involvement of the organization that represents the majority of Canadian organized labour. Although the CLC has been vigorous in putting forward its views, the government believes labour's involvement in ITAC and the participation of CLC-affiliated unions in the SAGITs represent a significant step forward to co-operate in economic decision-making.

The participation of the academic community has given positive direction to the consultations. Canadians are becoming increasingly aware of the need to adapt our education to meet the requirements of a fast-evolving global economy. Canadians also recognize that today's knowledge-intensive industries must find effective ways to turn scientific breakthroughs in laboratories into products and services in the marketplace.

In ITAC and the SAGITs educators can gauge the requirements for development of new skills. At the same time, the government can tailor its trade policy to effectively employ the skills and knowledge that educators have so carefully fostered.

The part of the consultation process that has been least noticed, I believe, is the inclusion of environmental representatives on the ITAC and many of the SAGITs. In keeping with the government commitment to take environment into account in major policy initiatives, it was vital that environmental groups be involved in the examination of the NAFTA.

Since the negotiations began, many commentators have raised the environment as an important issue for the NAFTA negotiations. The government agrees.

That is why the agreement will ensure that any of the signatory countries can maintain product health and safety standards superior to international norms.

That is why the government has formed an interdepartmental committee to review the potential environmental impact of a NAFTA on Canada. That is why Canada has increased its environmental co-operation with Mexico announcing last week a $1 million agreement to assist Mexico in improving its environmental enforcement.

That is one reason environmental representatives have been members of ITAC and the SAGITs since last fall. Their contributions have been most constructive and the government is hoping that this new relationship will be productive for all concerned.

Through the contributions of environmental representatives on ITAC and the SAGITs, the government will receive objective advice to ensure that NAFTA and other trade policies effectively take environmental issues into consideration.

The modern economy increasingly needs close co-operation among all participants in the economy. The consultation that now takes place in relation to the NAFTA negotiations is one solid example of that. This process has won the approval of independent observers who have commented on this contribution toward greater co-operation among Canadian economic sectors.

In a study of ITAC and the SAGITs, Helen Moroz, a professor of political studies at Queen's University had this to say and I quote:

> The systematic consultation between the private sector and the government appears to have enhanced the over-all attitudes among the different interests toward one another. Regular contact and the sharing of information proved to establish an understanding and trust between the participants—The process has paved the way for co-operative private sector/government consultation on trade-related and other matters in the future.

Perhaps not all members of the House favour closer economic co-operation to improve the functioning of the Canadian economy, but the government believes that such co-operation and the development of new strategic partnerships among all participants in the economy are keys to Canada's future competitiveness.

Closer co-operation which will in turn encourage more imaginative approaches to economic decision-making will contribute in the end to greater prosperity for all Canadians.

Hon. members of the opposition complain that these consultations do not take place in public, that yet again the government is conducting public business behind closed doors. However, the quiet nature of these discussions does not worry the members of ITAC and SAGITs. I cannot speak for all of them but the confidentiality to which they have sworn themselves provides them the opportunity to be candid and express their views without worrying that they will be heard by the United States, Mexican, or even Japanese or European competitors. The value of advice often rests on the frankness with which it can be given.

When the government knows it is hearing the honest unvarnished views of the private sector, it is better able to act in the interests of all concerned.

• (1600)

I have to stress that even if the opinions expressed in ITAC and the SAGITs meetings do not make headlines, they are being heeded. The opposition charges that the public is not being consulted. But look at the list of the sectors represented by SAGIT: agriculture, food and beverages, apparel and footwear, arts and cultural industries, consumer and household products, energy, chemicals and petrochemicals, financial services, fish and fish products, forest products, industrial and high-technology equipment, minerals and metals, business and professional services, textiles, fur and leather, transportation equipment, transportation services.

I am not trying to bore honourable members. I am only trying to point out that these consultations involve nearly every conceivable corner of the Canadian economy.

The ITAC and the SAGITs do more than bring together the different industrial sectors. They also link the economic factors from one end of the production line to the other, from extraction of raw materials, processing and manufacturing, to transportation, marketing and sales.

These advisory bodies are cross-sectors of Canadian society. They include representatives of small businesses and large. They include members from small towns and big cities. They bring together people from every region of the country. They include francophones and anglophones. There are women and men. There is no sector, barely a corner of productive activity or any region of the country or any job in the private sector in Canada that is not covered in one way or another by one of these sectoral advisory groups and the International Trade Advisory Committee.

These bodies are also constantly being refreshed. The government is continuously reviewing membership to ensure it appropriately represents the changing face of the Canadian economy. An ITAC and a SAGIT member's term is two years. In making the appointments the government strives to ensure an effective mixture of new blood and experience. New ideas are always vital to the consultation process. So also is continuity to ensure that what has been learned in the past is preserved and put to good use.

When the government announced the formation of the ITAC and the SAGITs consultation process more than six years ago, it was undertaking a major new initiative in communications between the public and the private sectors. The government had a plan that it knew was a good plan. But it could not have known how much the advisory network would be challenged and how it would respond. It responded well and effectively.

With the advice we continue to receive from these advisory groups, we will be able to negotiate a North American free trade agreement that serves the interests of all Canadians. When Canadian negotiators go to the bargaining table they are fully aware of the concerns and the ambitions of all sectors of the Canadian economy. That is the best guarantee that a North American free trade agreement, if it can be achieved, will reflect the interests and the ambitions of Canadians across the land.

This government is committed to consultations. Without consultations we simply could not negotiate a North American free trade agreement or pursue a trade policy of any kind. Government does not work in a vacuum. It must be aware of the needs and interests of the community at large. To do this, there is no substitute for a process of close and continuous dialogue. That dialogue, so effectively represented by the ITAC and the SAGITs process will continue.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, when we signed the free trade agreement with the United States, I had always, as a matter of principle, been in favour of free trade with the United States. A few years later, however, we realized that the federal government actually initiated meetings with international organizations on removing farm subsidies, mainly so it could stop subsidizing the production of grain in western Canada. That was the federal government's position here in Ottawa, and it was among the first to submit these proposals at the UN and GATT, proposals which involved removing subsidies, mainly for wheat, proposals that were a flagrant denial of the agricultural system we have had for many years in Quebec. Today, in Quebec, we have a quota system, thanks to which we are able to produce more or less what we need.

Liberalizing trade in agricultural products means undermining a system that we have had in Quebec for many years. Simultaneous negotiations with the United States and Mexico are bound to accelerate developments that will put Quebec at a disadvantage and undermine a system that has been in place in Quebec for many years. We know that the United States is also in favour of getting rid of farm subsidies as soon as possible.

Supposedly, agriculture had not been on the table during the FTA talks, but we realized only a year later that, although the government had said that GATT would be responsible for agriculture and that it would not be on the table during the free trade talks, the federal government was putting pressure on GATT to put agriculture on the table.

I think the current negotiations with the United States and Mexico on agriculture are rather disturbing because we in the opposition have no idea what you are trying to do, and I would appreciate some clarification.

[*English*]

Mrs. Anderson: Mr. Speaker, the subsidy question was not answered at the time of the free trade agreement because the description of the subsidy was very difficult to sort out. It remained to be decided later what subsidy meant.

This is still ongoing, but we have supply management which is certainly part of our dairy products, eggs and milk. At the moment it is before the GATT. GATT has certainly been served notice that the Canadian government definitely supports very strongly supply management for those groups and wants to make stronger article XI.

That is something that is in the process of being evaluated and worked out at the moment. Certainly no trade agreement with Mexico will be sorted out until that has happened. What we can do there with supply management will be what we will effectively do with the NAFTA.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I want to put a question to the hon. member who has been speaking to us.

I want to say to her in the first place that we in the Liberal Party are very strongly in favour of freer trade. We have always been in favour of freer trade. When we were in government trade with the United States expanded considerably, so we are a party that believes in freer trade.

However, we are very much opposed to the type of free trade agreement that her government concluded with the United States. We felt that was not in the best interest of Canada. The type of policies that we had adopted while we were in government did lead to an expansion of trade but did not lead to a loss of jobs in the same way as that deal has lead to the loss of jobs in the last few years. We just do not trust the government and the ministers of the government in their negotiations with Mexico and the United States this time, because we feel as a result of what they did the last time they are very likely to do it again. That is why we are asking for full disclosure and full information on these negotiations as they proceed day by day and month by month.

• (1610)

When we look at the deal of 1987-88, the Canada-U.S. Free Trade Agreement, we see that Canadian business is still harassed in the United States. Barriers are still put up against Canadian business when they try to carry on their commerce there. Countervailing duties are imposed. There has been a great loss of jobs in Canada with Canadian plants moving to the United States, plants closing down here, there and everywhere throughout the country. It is particularly serious in my city of Montreal and it is very serious in the Toronto area.

How can the hon. member stand in her place today in this House and say that she is fully assured as a result of the negotiations going on now with Mexico and the United States the same thing will not happen that happened in the Canada-U.S. Free Trade Agreement; that as a result of that type of agreement, if it is similar to the Canada-U.S. Free Trade Agreement, we are not once again going to see plants closed down, jobs moving to the United States, Canadian tradesmen, Canadian workers and Canadian business people out of work, bankruptcies increasing, and so on?

How can she say that she is fully assured and fully supportive of that process when she sees what is going on in her own province, especially in the greater Toronto area?

Mrs. Anderson: Mr. Speaker, the United States is hearing from its own people about how they are being affected, how they are losing their jobs, how their businesses are being affected, and that the free trade agreement with Canada is the cause of their huge numbers and huge losses.

That is coming from the other side. This is a global problem right now. We are also in a recession. That is certainly the saddest part of it, but we are coming out of it slowly.

Another thing I must say is that we will certainly look at NAFTA having the same dispute settlement mechanism we were able to put into this free trade agreement. It has been a very sound investment for Canada. In fact we are the only country that has such an agreement with the United States, and it has proven to be very effective.

Also I must say in conclusion that this year, since the free trade agreement and with the recession in full bloom, we are still ahead. We have a surplus trade of $5 billion with the United States and that is thanks to the free trade agreement.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, I have a comment.

First of all, I think the hon. member made an excellent speech. We should not be unrealistic and remain oblivious to what is going on while the globalization of world markets is taking place. If Canada does not get involved now to protect its position in the international community, especially when we realize that Canada is a trading nation that depends on exports, we will be blamed for not doing our job. Our government is doing its job.

When the hon. member for Longueuil says that free trade in the agricultural sector was a disaster because we failed to protect supply management systems, I would ask him to take another look at section 710, in which GATT article XI was kept intact. Article XI is something else. I agree it is hard for people who are regionalists to understand globalization, but when we consider what has been done and how the government is negotiating, whether we are talking about strengthening article XI or the dispute settlement mechanisms we put in place

through the FTA, I think the Canadian economy is better off as a result.

As the hon. member pointed out, market restructuring is taking place throughout the world. It is something we cannot escape. We can blame free trade, we can blame GATT, but we certainly cannot blame the federal government for trying to put in place the kind of mechanisms that have proved worth while. In the agricultural sector, for instance, we had a settlement in the pork industry thanks to the binational panel—with members from the United States and Canada—which was able to settle this dispute.

Otherwise, farm producers in Quebec and Canada would still be losing millions of dollars.

[*English*]

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I rise to speak in what I consider to be far too short a period of time. I want first of all to thank my colleague from Etobicoke North for his foresight, or I should say soothsayersight, for bringing this particular motion to the House:

> That this House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

I say that it was either as a soothsayer or with great foresight, because who would have known that we would have got all this information out of *The Toronto Star* this morning. It is a sad way in Canadian life for Canadian people to learn through a newspaper about what is going to happen to them in their daily lives and the impact on their world of work and their world of play that is going to take place, rather than on the floor of this House of Commons where we have been calling for open and clear understanding and the tabling of documents that would indicate whether or not we as parliamentarians and we as the people of Canada found this to be a proper kind of trade direction.

All I can say is thank goodness for the media. We do not always love them, but certainly they do bring us the kind of information which obviously this government does not feel that it wants to share in the normal and everyday way that would be expected if we could trust its judgment.

I listened to the Minister for International Trade during Question Period answering a whole series of questions. He kept repeating that we should have transparent rules and things should be clearly understood.

I listened to my colleague who just finished talking about ITACs, SAGITs and all such acronyms. I can guarantee that members of the general public of Canada who have lost their jobs, 1.5 million out of work, over 1.5 million or 2 million who are not only on unemployment but have now fallen through the cracks on to social welfare, have never heard of ITAC or SAGIT. They know this minister promised them jobs, jobs and jobs, but they also know that they are out of work. Do not tell us only about the recession. It was very poor planning by this government. It brought in wrong moves at the wrong time. That is what we got as a people with a government that does not exactly know how to plan, nor does it have a strategy for the future that will be in the best interest of its people.

As the critic for culture and communications, I look at how my area of interest is affected. It is my responsibility to question the government in this House. That is the opposition's role. If we look at the communications side, we find it extremely interesting *The Toronto Star* told us this morning that it was going to open up the Canadian telecommunication industry to the United States and to Mexico. It was also going to ensure that the protection of Canadian cultural industries obtained in the Canada–U.S. deal would remain in place in the new North American free trade agreement.

I would like to be able to address both of these. I will certainly not be able to do so in the time period I have now. However, if we talk about cultural industries, how can one presume that they are protected with clause 2005 which is like a notwithstanding clause? We see what happened to the book publishing industry as the Baie Comeau policy went down in flames to accommodate new considerations by this government. A proper film distribution bill would have helped the film industry in this country.

We see how a former minister, Flora MacDonald, had to water it down. Even then that film distribution bill did not get in because Mr. Jack Valenti, a very strong personality who knows how important the cultural entertainment industry is in terms of revenues to the United States, could not care less what it does to Canada or its sense of development of Canadian peoplehood, Canadian identity and Canadian unity. The mechanism that gets that information to many of those disciplines is through the communication vehicles. That includes all new forms of telecommunications which are very much impacted by this particular agreement.

Telecommunications is a vastly changing and dynamic structure within the whole world.

• (1620)

It is in that sector that the Americans have been trying for years to get their foot, the service sector, whether it is here through the free trade agreement or internationally through GATT. That is where the Americans want to go.

They have never accepted the fact that they did not get there through the first free trade agreement totally to their satisfaction. Now they want to try again.

One of the better ways to do that, of course, is through telecommunications. I know the minister told me during Question Period that I should read the agreement. It is 80 per cent ownership.

I would like the Minister for International Trade to maybe consult with the Minister of Communications who should both know that Bell Canada and B.C. Tel are major telecommunications companies that provide local and long distance services. Yes, they are supposed to be 80 per cent Canadian owned, but they are not 80 per cent of the telephoning universe.

It is the other part of that universe that we are concerned about that is not going to be covered, not going to be protected. It is not going to be open and where the American interests are going to be involved.

Now the minister tells me: "Do not forget, Sheila, you are very avant-garde". Canada is marvellous in the field of telecommunications. We want access to Mexico. We need to have protection right here in Canada for this evolving, dynamic sector. It will be a regional development tool. It is the research and development expertise that can be marketed around the world, but only when we are assured that there is Canadian ownership and Canadian interest involved.

I can tell you that the resellers are much more interested in becoming stabilized in this country and in having protection and not being owned other than by Canadians. They are not the ones who are running to Mexico to get into the telecommunications business.

When they open Canadian telecommunications to the United States and Mexico, I would say it is going to have a very serious impact on the government's potential to use this as an industrial lever, as an economic tool for the development of this country, as we recognize more and more that the fax machine is fairly new to our consciousness, that the telephones that you walk around and carry are new, there are going to be other new things.

If you stop and think about our broadcast industry, how do we know what the newest kind of telecommunications technology will be that will impact on what is carried on our sets, whether it is that little set, that little box, whether it is going to be for programming or non-programming services? How are we going to ensure that we have some Canadian content?

That famous phrase "Canadian content" has one real story behind it. The story behind that is Canadian jobs. Canadian researchers, Canadian development, Canadian technology: because we are good at them, we should give them away and allow AT&T, MCI and Sprint to move in here. We know very well they would be the best and the fastest at gobbling up what could be a very good and lucrative industry for them.

We need it for us. We have enough problems with all the industries, such as the manufacturing industry, going down the tube. A lot of the industrial sectors are a challenge. They are the automobile sector, the magnesium sector, the lumber industry. What are we going to have left?

It is time for this government to be more forthcoming about what its goals are. I do not know what they could possibly be. Maybe those members all want to become part of the United States.

One of the major issues for me in communications is an assurance and a safeguard so that we can have some kind of control over the growth and development of this very new, evolving service sector and assurances that we will control it at least to 80 per cent. I do not think that that is such a terrible thing for us to ask.

When we look at book publishing for an example, film production as another example, or whether we look at the sound recording industry, I think I have made the point time and time again in this House that we are a culturally occupied country. We have to find the levers of economic and cultural development so that we can be assured of maintaining access to foreign cultural materials.

No way are we going to close that down. We do not want to close it down, but we certainly would like to have some little part of it for ourselves. We do not want three out of four being foreign in every single sphere that I just finished mentioning.

I have to laugh sometimes when I hear this government tell us how well it has protected us. It has protected us so well that it put in clause 2005. Peter Murphy, who did the negotiations, said he considered that Canadian cultural issues were a joke during the entire free trade talks. Some joke. I do not find it a joke. You do not find it a joke and I do not think Canadians find it a joke.

He went on to say that the Americans exploited Canadian concerns over losing control of such institutions as the CBC, book publishing and motion picture production as a bargaining chip.

A bargaining chip? Is that what we are to the United States, our culture, our people, our songs, our verses, our music, our books? Well, Mr. Speaker, clause 2005 shows we never got protected from the Americans in the last free trade deal. I wonder what is going to happen in this one.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I want to compliment the hon. member on her very informative speech. Certainly she is very familiar and very knowledgeable in the whole area.

I want to ask her a question but before I do I want to comment on this motion that is before the House condemning the federal government for not being fully open with the Canadian people about the negotiations being carried out under the North American free trade agreement.

I find it appalling. In fact it is unbelievable that the Canadian people have to learn about these negotiations through an article carried in *The Toronto Star* today.

It seems to me that this government is saying "trust us". The Canadian public feel they cannot trust this government after what has happened in the free trade agreement because Canadians were told all kinds of things which have not come about. For example, Canadians were told that they would have an adjustment program. There has been no adjustment program put in place.

I could go on and on but I know my time is limited in questions and comments so I want to ask a question of the hon. member.

Does the member agree that the government owes it to the Canadian people to be more forthright about the current negotiation of the North American free trade agreement?

Mrs. Finestone: Mr. Speaker, I want to thank my hon. colleague for the question.

I guess the comment from the member for Halton—Peel gave us the answer. As you were speaking so eloquently about openness, he found it rather deplorable, in fact anathema I guess, to the way we found out about it. The answer from the member for Halton—Peel was that it was planted.

It is a disgrace that the only way the people of Canada and the opposition members of this House, and in fact I would care to say most members of even the government side, even found out what was in the free trade agreement that their ministers had been negotiating was through the release of a plant. That we terrible people, or some people who have Liberal leanings, which means openness of spirit, understanding, let the public know that we do not do things in secret behind closed doors, that is the answer.

The answer is, Mr. Nader of the United States we thank you, and *The Toronto Star* we thank you, and certainly we give a great big raspberry to the government.

[*Translation*]

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, I must mention that my colleague from Mount Royal and I sit on some committees. I certainly listened to her presentation. I do not agree with it, of course. I find it very pessimistic and closed-minded for somone of her calibre.

That said, three words really struck and almost shocked me. Our colleague from Mount Royal spoke of a "culturally occupied country". I would take that to mean that our culture is like that of an occupied country. I am sure that she said more than she meant and I would certainly like her to take a few moments to restate her position on our living in a culturally occupied country.

• (1630)

The Acting Speaker (Mr. DeBlois): The hon. member for Mount Royal has up to one minute.

Mrs. Finestone: Mr. Speaker, I thank my colleague from Outremont. No, I did not make a mistake. I chose my words very carefully and fully aware of what I was talking about.

When three quarters of the books sold in Canada come from abroad, when three quarters of the revenue from films shown in our movie theatres does not stay here in Canada but goes abroad, to the multinationals, when more than three quarters of the magazines sold—

[*English*]

—through Canadian news stands originate outside of Canada—

[*Translation*]

when nine tenths of the tapes, songs, records and all that come from outside Canada, I must tell you, Mr. Speaker, hon. members, that we are indeed a culturally occupied country.

[*English*]

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, it is an honour to speak on my party's motion which condemns the government for its failure to be completely open with Canadians about its plans, its goals and objectives in the current North American free trade negotiations.

Trade issues are of utmost importance to Canadians, certainly western Canadians. In large measure our country was built on our exportability. It is what drives the economy of much of our land and many thousands of our fellow citizens.

Yet trade is an area of public policy about which the people of Canada know less than we might. It is not because we are ignorant of its impact on our economy or our social fabric. It is not because we would rather leave these decisions to officials.

Canadians know less about trade than we ought to because this government likes it that way. It fooled many of us once before in the debate over the free trade agreement with the United States and now it wants to hoodwink the people of Canada again over the North American free trade, NAFTA.

All of us in this House are familiar with the old adage: "You can fool some of the people some of the time". Canadians will not be fooled again.

Request after request to the government to inform the House on behalf of 27 million Canadians on the progress of the NAFTA talks has been met with rejection. Such divulging would threaten the talks, they say. "Trust us. We know what is good for Canada."

My colleague for Etobicoke North has risen on numerous occasions to ask the Minister for International Trade for details on the progress of the negotiations. He has asked him for a copy of the bracketed agreement now in circulation, as my colleague from Mount Royal said a minute ago, leaked through Ralph Nader in Washington.

He along with many more on this side of the House have asked the government for even the most general of statements about progress on such items as human rights. Mexico's record on human rights, Mr. Speaker, is not what you and I would want it to be, nor in my view on democracy either, environmental standards, health and safety and the like.

No answers have been forthcoming. It seems that the government is not willing to address these issues until after the deal is done and ready to be rammed through this House with only token debate like so many other pieces of its legislation.

My colleague from Etobicoke North is a reasonable man. He would not ask the government to reveal any information that would compromise the bargaining position of our country. He is a former diplomat of stature. The member for Etobicoke North is probably far more aware of the intricacies of trilateral negotiations than

the minister of whom he seeks answers. Yet he is treated by those opposite with things like: "Don't worry, be happy. We'll tell you about the deal when the time is right".

As negotiations enter the home stretch, the time of that right is now. Having seen the economic havoc in this country in part caused by the Canada–U.S. Free Trade Agreement, the Canadian people hardly want to see this government sign another deal without some concrete precautions. The main issue we are talking about today is the integrity of this government, not simply the pros and cons of a North American free trade agreement. Integrity is not something Canadians are used to seeing from the folks across the way. They are more accustomed to seeing a veil of secrecy descend upon all of their schemes until it is too late to have any impact.

If this government was serious about lending some element of integrity to its trade debate, it would lift the veil of secrecy which currently shields Canadians from knowing all they must know about these negotiations.

In the scheme of things what are we to expect from this government? It has made an art form of state secrecy on very important issues. This is clear from an article on March 13 by Eric Beauchesne of Southam News. The author gave an account of how the Tories have cut funding or access to government departments and agencies and their propensity for publicizing valuable but sometimes embarrassing information.

Mr. Beauchesne wrote: "Stifling the flow of potentially harmful political information has become a Progressive Conservative government trademark".

It is unfortunate that the trademark must descend upon this issue of trade. It is an issue of interest to all of our constituents. We realize that our economic future depends on trade and we must ask ourselves how much we are willing to give up for just secure access to markets without acquiring some type of protection against the countervailing actions taken on items such as softwood lumber.

In 1990 Canada imported $1.7 billion worth of goods from Mexico, accounting for merely 1.3 per cent of our imports. The same year we exported approximately $600 million in goods to Mexico, accounting for .4 per cent of our exports.

In 1990, direct investment in Canada by Mexican firms and individuals accounted for the grand total of $4 million. That is a rather meagre figure in the scheme of things.

These are cursory figures but they say a lot about our relationship with Mexico. I am sure there are ways we can increase our trade with that country if we so desire without having to sign a trilateral free trade deal along with the United States. Why, in a most agonizing recession, does the government insist that our current free trade agreement with the U.S. must be extended to Mexico and changed? For a country that accounts for 1.3 per cent of our imports, the sky will not fall if we ask a few basic questions on the nature of the negotiations.

As a western Canadian, the priority this government has given to trade within North America does not make all that much sense. There is real work to be done in enhancing our relationship with the Asia Pacific where already four of ten residents of the planet live and where a great deal of the consumption and economic growth in the world is taking place.

The notion that economic prosperity and full employment in Canada hinges primarily on free trade with the United States, and perhaps Mexico, is based on a rather outmoded model of international trade. As the developed world lurches toward a diversified and lean approach to economic interrelationships, Canada seems content to stick with its narrow vision of continentalism.

Seeking an enhanced trading relationship with as many strategically important nations as possible remains as much a fundamental component to trade liberalization as the desire to bring down tariffs and non-tariff barriers. The fastest growing market on the face of the earth lies along the Asian rim of the Pacific Ocean. As rapid advances in transportation and communication technology have proven in recent years, one ocean is not a significant geographic barrier in the 1990s.

There are more important reasons, however, why Canada ought to devote more energy and enthusiasm toward building a more rewarding trade relationship with the Asia Pacific.

The Asia Pacific region will be home to approximately 600 million relatively affluent consumers by the turn of the century. The market will be very large and profitable for many Canadian commodities, products and services in addition to natural resources.

The advanced nations of the Asia Pacific are on the cutting edge of technology development and productivity enhancement. A closer and broader relationship with them could result in the fruits of their research and development initiatives and industrial strategies reaching the hands of Canadian firms committed to sustained and comprehensive joint ventures.

Embracing the concept of a broader Asia Pacific–Canada co–operation would begin to improve prospects for diversified economic development and sustained prosperity for about eight million western and northern Canadians. Two–way transfers of technical, education, managerial and professional skills are areas offering particular promise.

A healthy trade relationship with markets in the Asia Pacific region would provide a counterweight to offset the economic and political dominance of the U.S., enhanced by the FTA.

Thousands of people now immigrate to Canada every year from Asia Pacific countries. Many of them are skilled professionals with numerous contacts and an abundance of knowledge pertaining to commercial ventures in their native lands. Many others come to Canada on student visas to attend our universities and colleagues. Many in the Asia Pacific see North America as an exceptional venue for investing capital. An Asia Pacific trade strategy must seek to persuade more ventures of all sizes to focus more attention on direct investment in our country.

• (1640)

Our FTA, as everybody but the government knows, has proven to be a very uneasy commercial accord, to say the least. In the three years since its implementation, it has become clear that Canada under the present agreement will either have to adapt our economic, social and political institutions to reflect those of our more powerful partner, or we can watch our once enviable manufacturing sector disappear. It is hard to see how Canada can achieve a truly global trade profile within a parochial trade bloc.

One of Canada's foremost economists, Sylvia Ostry, addressed the sorry state of Canada's competitiveness in the following way: "Pursuing a purely North American strategy cannot provide a safe haven".

Today, western Canadians, and I think all Canadians, have grown weary of a Europe–centric and a U.S.–centric approach to developing trade priorities. While our neighbour to the south has been a valued and respected commercial partner throughout our history, our neighbours across the Pacific Ocean have redefined international economic order of the future.

Last year 80 per cent of Canada's entire export trade with this region involved the four western provinces. By comparison, the western provinces only accounted for 22 per cent of Canada's exports to the United States. Our proximity in the west to Pacific ports would be ideal for manufacturing interests and high technology industries which wish to establish factories to produce goods for export to Asia.

Japan has become Canada's second largest trading partner with a total export trade value of over $8 billion in 1990, second only to the United States. Trade officials expect Japan to become British Columbia's top trade partner this year.

As well, 54 per cent of all immigrants from Asia Pacific who come to Canada settle in the four western provinces. Many of them, as I have said, are highly energetic entrepreneurial people who can do so much to help us increase our trade with the countries they formerly lived in.

Finally, large firms in the Asia Pacific see Canada as a great venue for investing capital and purchasing securities. Yet generally speaking Canadian firms still do not seem to be aggressive enough in seeking out those sources of capital and trade. This situation persists despite the fact that $4.1 billion in direct investment came to Canada from Hong Kong alone in 1990.

The Acting Speaker (Mr. DeBlois): Order, please. The time of the hon. member has now expired.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, I want to start by congratulating my colleague for his speech. In it he pointed out the need for Canada to diversify its trade and expand its trade, particularly into the Pacific region where there is great potential. He points out that this is a natural market for British Columbia and all of western Canada, and of course benefiting the entire country in the long run.

During the last debate on free trade, the debate on the Canada–U.S. Free Trade Agreement, we in this party expressed grave concern about the negotiations at that time because we firmly believed that that agreement as it was developing would put great pressure on Canadian social programs and would lead to the harmonization of Canadian social programs with American ones. We said that, knowing that in many American states they had

virtually no unemployment insurance, they did not have a medicare and hospitalization program, their social safety net on the whole was not as fair and as substantial as ours.

Since the agreement went into effect in 1989, we have seen substantial cutbacks in our unemployment insurance program; cutbacks under the Canadian Assistance Plan to British Columbia, Alberta and Ontario. We have seen clawbacks on old age security. We have now seen the cancellation of a national day care program, and so on. The direction of social programs in Canada has gone backward and has, in fact, confirmed what we feared and the fear that we expressed in the debate of 1987 and 1988.

I want to ask the hon. member about the present negotiations with Mexico and the United States on this newly proposed free trade agreement.

Does he know enough that would assure him that our social programs, some of them that are the envy of the world, are not going to be still further under threat and subject to a harmonization that would go much broader than the present harmonization. The reason for that is in order to attract business from the United States and Mexico, we have to reduce our commitment to these things, reduce our payments for them and let people fend for themselves.

In this motion, we are asking the government to give us more information. Does he feel that on this particular point that we have enough information?

Mr. Kilgour: Mr. Speaker, I am sure my colleague who asked the question may not have seen the article in today's *Toronto Star*.

You wonder what country other than Canada on the face of the earth would have to refer to a document leaked to Ralph Nader in Washington and reported through one of our newspapers to know what is in an agreement that affects every one of us.

To my colleague for Montreal, the specific reference appears to be: "There appears to be no specific protection provided in critical areas of the environment, health and safety standards, and workers' rights". As I am sure the member knows, to become a member of the European Community, you have to accept 7 of 21 features of a social charter dealing with things like social programs and social safety nets. If I can be quite candid, and I am speaking only for myself, many months ago President Salinas of Mexico stood a short distance ahead of you, Mr. Speaker, and he told us that Mexico had never wavered on the path to democracy. When I heard that, I almost fell off my chair.

I know he has done much. He is making improvements and I salute him for that. But I do not think that in terms of the pantheon of democracy Mexico has yet got a very privileged spot in that place.

A truly democratic system of government is one of the other requirements for membership in the European Community. I would ask those opposite to tell us whether they think that Mexico would qualify for the democratic test as applied by the European Community for membership in that other trading organization.

Mr. Ken Monteith (Elgin—Norfolk): Mr. Speaker, I am pleased to rise today to make some comments on the NAFTA agreement.

Negotiations toward a North American free trade agreement are one component of the government's over-all economic and trade strategy aimed at enhancing Canada's future growth and competitiveness. The negotiations are seeking to create a North American market, free of tariffs and non-tariff barriers. The agreement would permit the free flow of goods, services and investments among the three countries. It would provide for the protection of intellectual property rights and it would establish a fair and expeditious dispute settlement mechanism. It would create a market of 360 million people, larger than the 12 countries of the European Community.

This is an ambitious undertaking. The agreement is being negotiated at a timely moment. The nations of the world are struggling to complete multilateral negotiations aimed at creating a more level playing field for exporters. As a trade dependent country, Canada will benefit from more open markets globally. While Canada currently ranks eighth in the world in the export of goods, and twelfth in the exported services, our future prosperity depends on building upon this successful track record.

This has nothing to do with playgrounds. Three million jobs in Canada are dependent on exports and are on the line. The export community has underlined the importance of a more focused approach to supporting Canadian businesses in its pursuit to global market opportunities.

The NAFTA negotiations constitute but one step in this direction. To be competitive in the world, our industry must successfully compete in North America. The North American agreement would benefit the wide range of export-oriented Canadian goods, producers and service providers.

• (1650)

I would like to focus my remarks on how the NAFTA will especially help smaller and medium-sized Canadian companies. With a growth population and economic reforms that have opened up its economy, Mexico is becoming North America's fastest-growing market. The country's annual economic growth exceeded 4 per cent in 1991 and imports are increasing by more than 30 per cent annually.

This offers immediate markets for Canadian suppliers of competitive products and services that are urgently needed for Mexico's modernization and diversification. Its potential as a key market is undeniable and the NAFTA will secure the access of this growing market to Canadian exporters.

The success of the recent Canadian Expo '92 in Monterrey, Mexico underscored that a wide range of Canadian firms are already focusing on opportunities created by the launch of the North American negotiations.

More than 200 firms from across Canada representing 11 industrial sectors participated in Canada's largest trade promotion ever held in Latin America. Judging from the results, participation in that show was well worth the effort. There was close to $3 million in on-site sales and an additional $80 million expected over the next 12 to 18 months.

For other small to medium-sized Canadian firms, the NAFTA will provide important opportunities to improve their competitive positions in the more medium term. We strongly believe an agreement will encourage small and medium-sized firms to form the strategic alliances in North America that can give them the needed edge to meet and beat tough offshore competition.

Japanese business success shows how a company should use the best of the resources available to it, whether those resources be domestic or foreign. A North American free trade agreement will permit companies in all three countries to do just that. They will put into action the best of what each country has to offer.

Of course, many smaller Canadian firms have yet to discover Mexico as a market. Just as the free trade agreement encouraged some Canadian firms to think about exports to the United States, for the first time the prospect of a NAFTA has already stimulated unprecedented levels of interest on the part of Canadian firms in the dynamic markets of Latin America.

For the smaller firms focusing on the U.S.A. market, the NAFTA will add to the gains of the FTA. We will not allow the hard-fought deals made in the FTA to be reopened nor accept reductions in benefits that accrue to Canada under this agreement. But if during the NAFTA negotiations we see possibilities for improving the provisions of the FTA in ways that can benefit Canada, then we will do so.

We believe improvements may be possible with respect to such practical matters as more straightforward rules of origin and greater customs co-operation. This is not necessarily the stuff of headlines but it represents real improvements on day-to-day operations of businesses exporting within North America. These are the kinds of improvements that will benefit most small Canadian companies.

In the controversy generated around initiatives such as this one, the main purpose of our efforts sometimes becomes obscure or forgotten. It is plainly stated to reduce obstacles to trade. There is nothing base about this idea especially to a small and dynamic trade-dependent country.

Canadian negotiators will focus on dismantling Mexico's trade barriers which have hampered the efforts of Canadian exporters to compete for a slice of the Mexican market of 85 million people. They will focus on a trilateral deal which will preclude a bilateral U.S.-Mexico trade deal that would have created preferential access for the U.S. and stacked the deck against Canadian businesses and our economy. They will ensure that Canadian manufacturers have access to cost-efficient inputs and that Canadian exporters can forge the strategic alliances in North America needed to improve their competitiveness.

As our export statistics indicate, even small and medium-sized Canadian firms have already shown they have the know-how and ability to make important inroads in international markets. NAFTA will be another important tool to ensure that these firms have a freer environment to capitalize on.

In summary, this debate is not about playgrounds. It is real to the three million Canadians who depend on exports for their livelihood. It is real to the many small and medium-sized Canadian companies which are striving to make further inroads into international markets for the benefit of Canadians who depend on their success.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I thought the analogy of playgrounds was quite good, except all of our playthings are being taken away.

I want to ask the member a simple question. We all recognize that the previous negotiator in the free trade agreement was Simon Reisman. The question I would ask the member is: Who is our chief negotiator now for Canada? If we went out there on the streets in any city in this country, Ottawa, Sault Ste. Marie, or in the member's riding and asked: "Who is the chief negotiator right now for Canada?" I suspect that no one would know.

I want to give that answer. The man's name is John Weekes. John Weekes made a speech on June 3, 1991. I want to give him credit because he has received little credit and little notoriety. No one knows who John Weekes is nor what he is saying about this agreement. I want to cite several excerpts from his speech and I would ask the member to comment on the content of what this person, this chief negotiator said for us. He said: "This government has introduced adjustment programs to help workers adapt to the demands of the modern outward-looking economy". Of course, the government has not and it did not introduce any adjustment programs.

He goes on to say: "We will certainly not allow the hard-fought deals made in the free trade agreement to be reopened". I suspect that is contradictory. "Canada will be seeking improved access to the U.S. government procurement market". That will not happen. It did not happen. It will not happen.

He said: "It is evident that Canadian firms can benefit from the lower cost inputs of the Mexican marketplace". That tells me to let us go take advantage of these Mexican workers.

Finally, the *pièce de résistance* in the comments: "The Canadian government is very conscious of the need to consult closely with Canadians". He did not say via the *Toronto Star*. "This is as true for NAFTA as it is with the Uruguay round of the GATT". Is this the close consultation that Mr. Weekes meant, that he would negotiate through the *Toronto Star*? This is quite a speech. It just flies in the face as to what really has happened in the NAFTA negotiations.

I would ask the member to comment on the speech of John Weekes, our chief negotiator.

Mr. Monteith: Mr. Speaker, I thank my hon. friend for his comments. I am sure that he realizes that not every negotiator is the same. Mr. Weekes of course is a low-key negotiator, an individual who likes to negotiate from behind the scenes and has been very effective at that.

I have not seen the comments that my hon. colleague brings forward which are supposed to have been from our negotiator. I am sure that Mr. Weekes is very careful in the things that he says. He has done an exceptional job to date for Canada in the negotiations at NAFTA.

I think too that he talked about a dynamic economy. I believe that is what will happen to Canada when we have the successful conclusion of the NAFTA agreement and the successful conclusion of the GATT.

• (1700)

We are poised to go forward on a steady and strong base here in Canada. We look forward to doing that as we have many Canadians waiting for that opportunity so the economy can expand and continue to employ Canadians in this great country.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I appreciate having the opportunity to speak on this opposition motion put forward by my colleague from Etobicoke North.

I would like to repeat it for those listening this afternoon:

That this House condemn the Government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

The central issue in public life today is trust because of the experience with the last free trade agreement. When I say experience I mean the results that have occurred in our economy, the job losses, the rapid deterioration of our manufacturing base in southern Ontario, the incidents we have had in terms of softwood lumber, the Honda dispute in Alliston, and on and on it goes.

There is the natural feeling that any further negotiation would leave us as a nation more exposed in any kind of a free trade agreement. How could it possibly be a benefit to Canada? How could it possibly be a benefit to those whose lives depend upon exports not only to the United States, but also to the rest of the world?

We are forgetting some of the things that have happened as a result of this free trade agreement in relation to manufacturing, not only the shrinking of the economy but also the way head offices in the United States have basically shut down their manufacturing in Canada. They have basically turned their Canadian operations into nothing more than distribution centres or marketing and sales operations.

There are so many of these incidents happening across the country that we now naturally get the feeling that there is even a greater danger as we continue with a similar trading relationship with Mexico. It is absolutely essential, if we are going to begin any kind of a rebuild on trust in any kind of a trade negotiation, that these discussions be totally open. There should not be any action that looks like we are doing this behind closed doors.

Most of us in this House know that one of the things that Canadians do not like is the fact that we seem to be tying our trade destiny to the United States.

One of the greatest assets that we have in this country is the fact that we are a multicultural nation. Over the last 20 years this country has spent millions and millions of dollars encouraging people to retain their cultural heritage and their language. We have people who have come to this country from all over the world.

When we first started on multiculturalism back in 1971, there was an awful lot of criticism as to why we would be spending taxpayers' money and encouraging people to retain and promote their cultural heritage.

Here we are in the 1990s and the greatest trading asset that we have in this country is the fact that we have people from every part of the world, Canadian citizens, who have retained their cultural heritage and language because of this government's policies. It means they can now go to any country in the world. We do not need to have our trade policy linked and welded to the United States. Naturally we are going to continue to enjoy that great trading relationship, but we should make sure we develop some counterweights.

My colleague from Etobicoke North wrote a paper a few months ago. He suggested it was essential we build counterweights in this country to the United States.

I happen to think one of the counterweights, in terms of trade, is the fact that because of our multicultural fabric, we can send people all over the world.

About five years ago I had the opportunity to work for an auto parts manufacturer, Magna International. We had an opportunity to go to Tokyo to make a presentation to the Toyota operation. We made sure we brought a couple of young Japanese Canadians with us on that trip who were fluent in Japanese and understood the culture. These Japanese Canadians played such an incredibly productive role in our negotiations that we were able to bring back an order that was close to $50 million on our first visit.

That order created a lot of jobs in our factory here in Canada and I dare say it was because we brought Canadians of Japanese origin to that table, who had the facility of language and were so comfortable with the culture.

We can do that in every region of the world. We have had many people go to different parts of the world in the last few years from this House. We have always been able to have very special connections because there has either been someone in our constituency who was from the particular region we were visiting, or they had friends or family there. We have never really fully exploited the

linkage of language and culture that we have encouraged, promoted and built in this country over the last 20 years.

I think the government should not be so possessed and preoccupied in terms of the North American scene. It should start putting an added thrust in other parts of the world and use our assets. The owners of small and medium sized businesses need the support and assistance of government to re-establish those linkages. The mere fact they have that facility of language and culture would access us to those markets in very short order. That would allow us to have the counterweight in our trading policy that would give us a much stronger position when we are trading with the Americans.

The other counterweight when it comes to the United States is the fact we have the most fresh water of any nation in the world. It is no secret to anyone in North America that eventually the Americans are going to need our water.

We should make absolutely sure in whatever discussions go on here that water is not part of any trade deal in any way, shape, or form.

I think we would be doing a tremendous disservice to Canadians if we were cloudy on that particular issue.

I support the member for Etobicoke North's motion. There is such a low level of trust in any kind of trade negotiations going on in this country right now, that the government is going to have to bend over backward to rebuild that trust.

• (1710)

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I agree with the hon. member for Broadview—Greenwood that counterweights are very important and I would like to pursue the point with him.

The member was talking about his former employment with Magna Corporation. I should report to him that only half an hour ago I spoke with Mr. Frank Stronach who is a very strong supporter of referenda in this country and there are great developments on that front. But I would like to ask him about when he was employed in the Prime Minister's office.

When the member speaks to us today in the House about counterweights, he is certainly reflecting the talk, attitude and ideas of former Prime Minister Trudeau, who often spoke about creating counterweights. I recall Prime Minister Trudeau speaking about the importance of creating counterweights to the United States in the trading partnership. His government was going to negotiate a special deal with the European Community. Canada would forge these new dialogues on a north-south basis and we would build up that kind of counterweight.

At the end of the day, we saw sliding down the banisters and pirouettes behind Her Majesty at some of these meetings that were supposed to be dealing with the economic trade issues. A royal commission on Canada's future economic prospects was set up which, at that time, like most royal commissions, cost a lot of money and took a long time to finally tell us what it wanted to share with us. The recommendations were made to the Mulroney government because there had been a change by then. The recommendations obviously were so persuasive coming from the royal commission created by Prime Minister Trudeau that they caused the Conservative Party to reverse its historic position on trade with the United States without any real internal debate within the Conservative Party.

Could the member go back to his thinking of his time with his former employer and the policies of the Trudeau government, before he is coached by our fellow colleague from another metro Toronto constituency who has a lack of confidence in the member for Broadview—Greenwood who thinks he has to go and pull a few of these Charlie McCarthy things? I am sure the member for Broadview—Greenwood can answer this without any coaching from the member from some other part of metro Toronto.

Mr. Mills: I am happy to hear my friend from Etobicoke—Lakeshore had such a productive conversation with my former employer on referendum. Maybe he can use Mr. Stronach to have some influence on his party and its leader responsible for constitutional affairs to advance the idea of referenda in this country.

No offence to you or those in this House who believe in referenda, but we have not had a strong influence on the minister. Maybe Mr. Stronach can use his charm and maybe we will get somewhere.

I want to go back to the point the member made regarding the royal commission on the economy. My colleague from Willowdale reminded me they did call for adjustments. In other words, you did this free trade deal and you left absolutely no room for any kind of economic adjustments. The Royal Commission on the Economy agreed to free trade, but said there must absolutely be adjustments. He just sort of left those out and that is a key point.

I want to go back to Mr. Trudeau. He was not anti-American as some people try to pretend in their language and newspapers. Mr. Trudeau constantly favoured a global trading position for this country so we were not totally dependent on our American friends to the south. To this day when you travel in Europe, the Middle East—I cannot speak for South America—or some parts of Africa and speak to businessmen there, they have an image of this country and it is Trudeau. It is a good one and they saw him as a positive force on trade. To this day, we owe the former Prime Minister a great deal of debt and gratitude for his trading skills.

[*Translation*]

Mr. Jim Peterson (Willowdale): Mr. Speaker, it is rather embarrassing to see the Tories squabbling. Some are in favour of a referendum and others are opposed to the idea. However, I must say the minister has done a good job, and we support him. We wish him the best of luck with the constitutional proposals.

[*English*]

It would help our national unity if we had an economy that was vibrant and strong, instead of losing jobs overnight to the United States.

I would like to look at just one sector of our economy that has lost badly in the three years under free trade. It is not just because of free trade, but because of a whole raft of Tory economic policies which tilted the playing field in favour of the Americans, such as our high interest rates policies, our high dollar policies, our high tax policies and our GST. The NDP programs in Ontario are threatening to create labour strife and drive more and more jobs out of province. A previous government did not suggest or enact in Ontario the programs that are now being advocated.

Let us get back to the issue of this government's program for free trade and what it has done to our auto sector. In the three years since free trade, Canada has lost 127,213 automotive jobs in assembly and auto parts manufacturing. That is, 21 per cent of all the jobs in that industry in three years have disappeared.

Now the Tories will tell us some of those jobs have been lost in the United States as well. Of course they have. They have not lost 21 per cent of their automotive jobs, they have lost only 9 per cent of them. So you cannot blame that on the recession. The fact is we are losing jobs more quickly than they are.

They now have an opportunity with the North American free trade agreement to perhaps make some changes to the way in which we trade in automobiles. I hope they will make these changes.

I suggest they consider a North American content rule. Presently we have a free trade agreement in Canada which says you can trade free trade in automotives if you have a 50 per cent North American content. You saw what happened in the Honda case. The Americans claimed they just did not quite meet the 50 per cent level, therefore the Americans could impose taxes on cars made in Ontario and shipped to the United States.

I want this House to reconsider this 50 per cent North American content rule. Are we going to be the only free traders in the world in automotives or not? I wish we had genuine free trade in many things in this world and a level playing field but the reality is, we do not. When you look at foreign penetration of the European Community, they are now arguing among themselves whether by the year 2000 they will allow non-European automobiles into their market to the tune of 15 per cent or 17 per cent. That is the debate. In Japan, foreign automobile makers have 3 per cent of the market. What do we have in Canada? It is 37 per cent. Should we be the only free traders in a world where our competition is not free trading? This is one of the issues we have to face. Free trade may be good for consumers. It may be the right thing to do, but it is not what our competitors do. So let us not be naive.

• (1720)

There are ways in which we can reduce this 37 per cent penetration by foreigners of our automobile markets in North America. I really think in the interests of jobs that we have to consider some of those measures.

People will say that if we do not have unbridled competition we are going to suffer in terms of our competitiveness because we will not be as productive and we will not have the quality. We can overcome those objections by working closely with our auto manufacturers to ensure that they are world class.

I am impressed that under the threat of Japanese competition in the last few years we have increased our productivity and our quality to a point where North American vehicles are good vehicles. Let us start to get those jobs back and continue the progress we have made in terms of quality and productivity.

Are we going to have Canadian content rules, not just greater North American content rules but Canadian content rules in a North American free trade zone? If we do not, we will find ourselves in the precise position we are in today where under the free trade agreement with the United States the big three can pull their production out of Canada. They do not have to buy any Canadian parts. After the year 1998 when all the tariffs are phased out they can ship duty–free into Canada without having one Canadian job here. That is the way the present trade regime works.

In other words, the free trade agreement wiped out the auto pact. Under the auto pact, in return for participating in Canada's market we insisted that they created a certain number of jobs here. For every car brought into Canada duty free one car had to be produced in Canada. A certain degree of protectionism was offered in return for jobs.

That is what we are doing today as well under the entire concept of a North American free trade agreement. There was never any concept that we would allow unlimited free trade on a global basis. We were contemplating that we would have a common tariff against foreign automobiles. We were not going to let the foreigners come in without any duties. Therefore, we have said as a North American group that we are not in favour of free trade. We are in favour of erecting some type of barriers against foreign penetration.

Let us not pretend that we are being globalized and involved in free trade when we say as a group that we are going to erect common barriers. We have established what game we are in. It is protectionism in return for jobs. Now let us make sure we get our fair share of jobs. That is why a common North American barrier against foreign penetration is one way of doing it. Having Canadian content is a way to ensure that we will have our fair share of auto jobs here in Canada.

I suggest that we go back to restoring what we had under the auto pact, those safeguards for Canadian jobs. We do not want to give up all auto jobs here in Canada. In return for other North American partners shipping into Canada duty free, let us make sure that they establish a certain number of jobs in Canada. Why is this important? It is because we do not have a totally level playing field right now.

The big three—GM, Chrysler and Ford—are not Canadian companies. They are located in the United States. They are subject to the pressures of the U.S. government. They are subject to pressures of unions which are far bigger. When it comes to closing plants it is highly probable that we do not have the leverage the United States does in making sure that we keep our fair share of jobs.

Let us look at what has happened in the last three years. We have lost auto jobs at two and a third times the rate the Americans have. This is why when we approach these discussions there is no sector more important than the automotive sector. I want to make sure that this government is realistic in terms of world standards and in terms of standing up for Canadians and Canadian auto workers.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, in one part of his speech the member for Willowdale was saying that he believed in free trade, a level playing field and global competitiveness. In another part of his speech he was urging that there be a common North American protectionism for North American jobs in the auto area.

I really have two questions I would like to ask him. I do not suggest that the member for Willowdale is being mischievous in the way he is handling the information. I think he seeks to be informed.

An hon. member: Go for it.

Mr. Boyer: In responding to another member from Etobicoke, I really appreciate the resolution this afternoon. It gives us a chance to air some of these issues.

We have had all this discussion about the auto industry in North America in the context of this resolution on free trade, when all of us who read the document basically know that the free trade agreement was apart from the auto pact. I think it is mischievous to draw all this discussion about what is happening to the North American auto industry into the current discussion we are having as if there were not provisions in the existing trade treaty that govern this, and they do.

The loss of jobs in both Canada and the United States of America in the auto industry is clearly part of something else that is going on related to a recession and related to changing patterns of transportation which we have all been encouraging, frankly, in other debates in this House when we talk about the environment. It is time to square this discussion a bit.

The member is talking about this notion of global competitiveness and linking everything difficult that is happening in our country to this ogre of the trade treaty. How does he account for things that have happened in our country such as the closing of Anaconda in my riding? Machines that make nails have been crated and shipped to Poland and are now making nails in Poland from the company's operations in the United States. That is where the machines have gone and those nails are coming on to the world market. A plant in Toronto with 250 employees that made jewellery went bankrupt in the recession. The equipment was bought by an American for 25 cents on the dollar, crated and shipped to St. Petersburg, formerly Leningrad.

The Acting Speaker (Mr. DeBlois): Order, please. Perhaps the member wants an answer.

Mr. Peterson: Mr. Speaker, there is no doubt that we are in a global economy. Let us not get trapped into saying that a global economy means that there are not barriers being erected.

I have to comment first of all on what the hon. member for Etobicoke—Lakeshore said. He is usually a very intelligent, a very erudite person, an author, but he has bought into the Tory propaganda that the free trade agreement did not wipe out the auto pact.

The auto pact was not abolished by the free trade agreement. It was left there, but the means of enforcing the auto pact were taken away. Those means were the tariffs which said that duties had to be paid if one car was not produced in Canada for every car brought in. We wiped out those duties. They will be totally phased out by 1998. They did not eliminate the auto pact in the free trade agreement. They just took away the means of enforcing it, which is the same as wiping it out. Let us not be naive. That is what this government has done.

This member said that I was in favour of free trade. Yes, I am in favour of free trade, but is he saying that in the NAFTA agreement they are not going to erect a common barrier against European, Japanese and Korean vehicles coming into North America? Of course they are. The European community erects common barriers against North American and Japanese cars.

This is unfortunately the way of the world. We are in a world that is not engaged in globalized free trade. We are engaged in a world of trading blocs. Let us make sure, first, that our trading bloc gets its fair share of automotive jobs, automotive production. Second, let us make sure that Canada within our own trading bloc has its fair share.

• (1730)

Mr. Garth Turner (Halton—Peel): Mr. Speaker, it is a pleasure to join in this debate today. I would like to make a few remarks off the top about some of the tenor of the debate so far today.

There has been an awful lot of fear-mongering in this Chamber. As we listened to what some of the members in the opposition were saying, a lot of us reflected back to a debate we heard some three and a half years ago during the free trade agreement negotiations with the United States. I am sure we all remember that.

I vividly remember during the last election campaign going around and people saying to me: "Well, the Liberal candidate was here a little while ago and said we were going to lose our social programs when we have free trade with the Americans". Other people told me: "We have been told we are going to lose medicare once we have free trade with the Americans". Then it was water. They said that we were going to lose control of our own natural resources including water, that water was going to be shipped wholesale from Canada to the United States if we entered into this free trade agreement.

It went beyond that. People were being told during the election campaign that free trade meant Canada would lose its infrastructure, that our whole social infrastructure would be lost. Not only that. They were told that our environmental standards would be eroded. That was a big one.

I remember the NDP television commercials with Ed Broadbent or some older guy walking beside a pond with a child. A clear message was being sent to Canadians night after night that if we signed a free trade agreement our environmental standards would go out the window.

All those free trade agreement bogymen are being dragged back into this Chamber once again in a desperate attempt by opposition people to make Canadians believe what they rightfully and forcefully rejected in 1988. That is all that has been going on here today, and I think Canadians deserve a better level of debate than that.

Canadians have been watching this debate. I am sure many of them are confused and a little frustrated by some of the things being said in this Chamber. People are being confused by the black and white nature of the arguments being put forward. Most Canadians know better. They know that the arguments are not all black and they are not all white. There are shades of grey which really dictate it. There are good things about NAFTA. There are things that are not going to be good about NAFTA. It is the role of the Canadian government now to negotiate strongly and forcefully to get the best deal possible for Canada.

I am sure a lot of Canadians listening to the debate today are a little ticked off as well by the politics of fear which are being brought into this debate. It is not logic, not common sense, not a dispassionate look at what is good and bad for Canada, but just a whole bunch of emotional rhetoric designed to frighten people. That is not what Canadians deserve.

The motion we are talking about today reads:

> That the House condemn the government for its failure to be completely open with Canadians about its principal goals and objectives in the current North American free trade negotiations.

How did we get this particular motion today? It is typical of what goes on in Ottawa. A lot of people got up this morning, read the headlines in the newspaper and turned it into a motion in the House of Commons.

On Sunday *The Ottawa Citizen* ran the second in a series of articles called "The Human Cost of Free Trade". The front page of *The Ottawa Citizen* had a picture of an impoverished Mexican peasant. Inside there was no reference at all to any of the particulars of the free trade agreement proposals. It was just simply how bad life was in Mexico. We all feel for Mexican peasants. We all want to make their life better. There is a body of thought that says helping the Mexicans improve their economy not only helps the Mexican peasants; it helps Canadians as well.

Then this morning we had this story "Leaked document reveals massive three-way trade plan" splattered all over the front of *The Toronto Star*. I saw my "Star" this morning and I was pretty interested in the story. It looked like the second coming. I started reading it and thought: "Surely I am going to have some kind of fair and balanced story".

Who leaked the document? What does the document say? What is the government response? What is the context that this happened in?

The story was written by Linda Diebel. Linda Diebel is a pretty good reporter so I expected a fair and balanced story. What do I find? I find a plant, a Ralph Nader plant, in *The Toronto Star*. They just swallowed it. They took it all, hook, line and sinker. They had no verification whatsoever.

We have quoted in this story the Citizen Tradewatch Campaign, which is a Ralph Nader established organization. We have the Sierra Club quoted in here. It is an American organization being quoted on the agreement.

We have Public Citizen, which is part of the Consumer Advocate Network of Ralph Nader. We have a lot of people quoted in this story. None of them are Canadian. Nobody in the government was given an opportunity to put this into context. It is a totally incredible, one-sided story.

Therefore I would like to read into the record a couple of comments which were made two and a half hours ago just outside this Chamber. They are contained in a story which ran on the Canadian Press wire about an hour ago.

I will quote verbatim a couple of paragraphs: "'A leaked version of the proposed three-way trade agreement among Canada, the United States and Mexico is simply a preliminary document and does not mean Canada has given anything away', according to International Trade Minister Michael Wilson". If somebody should know, he ought to know.

"'It is a draft text', says the minister. 'The document is a very preliminary document'." The minister adds that just because they put forward the couple of proposals contained in that article, it does not mean that Canada is accepting them. In fact, the minister has said that, for example, the proposal on telecommunications that the Americans put forward has been rejected by Canada. We are not buying it.

This particular agreement that is in *The Toronto Star* and printed as if it is from the Bible is nothing but a working draft negotiating text. End of story. It does not matter. Nothing in this text matters. The Americans put forward their best case of what they wanted from Canada, it does not matter. We are negotiating a deal. We can reject it.

Canadians are watching this debate based on the premise that this planted story by a left wing, activist group from the United States and bought hook, line and sinker by *The Toronto Star* is fact. We are here tying up the Chamber of the House of Commons debating something which is not based on fact. It is not based in fact. It is not balanced and it is not reasoned journalism. I think it is an insult to a lot of people to put up with this.

I would like to address the NDP claim in this House that somehow the federal government has been trying to muzzle members of Parliament or conceal the facts of NAFTA while U.S. and Mexican parliamentarians have had full access. That is the way the argument has been developed in the Chamber.

Let us review the facts. The Government of Canada has offered a briefing to members of this House to review not a leaked draft text, but the working text that Canada is now proposing at NAFTA.

Members of this House from the government side and the opposition side have the opportunity of being fully briefed, of having it done after signing an agreement that says that the contents will be kept confidential.

That has been put forward as a position that is diametrically opposed to that which the American and Mexican parliamentarians have been offered. I would like to review it.

What have American legislators been offered by their government in terms of having a look at this agreement? The American government is essentially sustaining the same kinds of criticisms that the Canadian government is right now, that the United States is giving confidential briefings to legislators in the United States but they are classified briefings.

The only people being given confidential briefings are members of Congress and their staffers, and private sector trade advisory members and their staffers. Those briefings are only being given to the Americans after a full security background check has been made into those people who will be at the briefing. It is just the same as that being offered here in Canada. But Canadian parliamentarians who are being offered briefings by the government do not have to go through a security check. They just have to agree that what they see will be confidential.

• (1740)

The NDP in this House has made much of saying Mexican senators have been getting briefings on roughly what is in the free trade negotiating documents. What the Mexican senators have been offered is not a confidential briefing. No confidential briefings whatsoever have been offered any members of the Mexican opposition.

I think what the Government of Canada has been offering in this House has been much more than either the Americans or the Mexicans have been offering to our counterparts in those legislatures.

That is myth number one which we have to address here.

Myth number two is that Canadians in general, not just Canadian legislators, have not been informed adequately about has been going on here, about what the heck the government has been doing in terms of negotiating some kind of a free trade agreement with the Americans and the Mexicans.

It is interesting to note that the government has had more than 48 meetings on the North American free trade proposed agreement since negotiations were launched.

The minister responsible for international trade has personally delivered more than a dozen speeches from Fredericton to Vancouver. In each speech—and I have read them—he details a few more elements of the free trade agreement. If you look at those speeches as a body of material, they give an incredible insight into what the Government of Canada is trying to achieve through these agreements.

The minister has personally written almost 400 letters to Canadians in response to inquiries on the agreement. The chief negotiator, Mr. Weekes, has given 26 speeches to groups of Canadians on the free trade agreement. There have been more than 2,800 copies of *Situation Report* distributed to Canadians who have made inquiries about the NAFTA. There have been 10 background briefings to the press since September.

The minister has appeared before the standing committee of the House of Commons seven times to answer any questions relating to the free trade agreement.

The minister himself has given a number of speeches from one end of the country to the other. Let me give members a glimpse: the Financial Post Conference on North American Free Trade in Montreal, Council of the Americas and the Canadian Manufacturers' Association in Toronto, the Central Canada Broadcasters' Association in Toronto, the MacDonald–Cartier Club in Calgary, Canadian–American Committee in Toronto, and the list goes on.

From one end of the country to the other the minister has been there. He has been before the House of Commons committee. There has been no attempt to avoid giving information on free trade.

I submit that the motion that the government has some hidden agenda in terms of the free trade agreement with North America is absolutely political bunk and rhetoric.

There are a couple of words I would like to say on the agreement itself.

Why are we doing this? What are Canada's objectives? Why are we even sitting at the table with the Americans and Mexicans trying to construct a free trade agreement?

The first and most important thing for Canadians, Canadian business people, Canadian entrepreneurs, is the fact that there are 80 million people in Mexico and right now the Mexicans have a lot of barriers to our companies reaching that market of 80 million people. Obviously it would be to our benefit if we could reduce some of those barriers, if we could bring them down and increase the accessibility.

Second, we need to have better access to the United States market. Much has been made today in the House about some of the problems that have come up, whether it has been a ruling on the content of Honda cars, softwood lumber, pork disputes, et cetera.

Some of the hon. members who have raised those things as examples of free trade not really helping us because we still have problems in part are right. We still do have problems. The Americans are very protectionist right now. The Americans want to protect their economy because they are in some of the same dire straits that we are in. They have a recession and an election coming up. They are using trade laws as a way of attacking some of those that are being successful in getting their products into the American market, including Canadians.

The free trade agreement, as we have negotiated it, helps but it does not do everything that is possible. As we sit down with the Americans and the Mexicans now and look once again at free trade, the way it works, the irritants, and so on, if we can possibly make that deal better and remove some of the irritants and strengthen Canada's position, then why would we not do it?

That is the second objective that Canada could have under these negotiations.

Third, we want to make the investment climate better in Canada. There is nothing whatsoever wrong with foreign investment in this country. We welcome foreign investment. It has always built Canada. Other countries are happy when entrepreneurial Canadians go to their countries and invest in their infrastructure; we should be just as happy here.

Those are the three things I would like people to remember about objectives: gain access to a market of 80 million people; try and improve the Canada–U.S. Free Trade Agreement; and make Canada a more attractive place for investment.

Why negotiate a deal with Mexico? Right now it is becoming a very dynamic economy. The Mexicans do not want to be a Third World country, they want to be a first world country. It appears that with the kind of aggression it has right now, it is going to make it. As it improves its economy, as it increases the wealth in that economy, individual Mexicans are going to prosper. They are going to have more money to spend, and that is only good for us in Canada because we want to access that market.

It is clear now that Canada can really play a major role in these trade negotiations by reshaping the way the whole western hemisphere trading patterns are taking place.

Finally, globalization: it is here to stay. We cannot hold it back. It does not matter how much little Canada, with its little market of 26 million people wants to protect our own industries, we cannot do it any more. We cannot buck a trend that the whole world is moving toward. So we have to be at the table with the Americans and the Mexicans. It would be ridiculous for us to walk away. We have to be there to protect our own interests.

A question that comes from a lot of people is: "Okay, we understand that; you've got to be at the table; it would be irresponsible to take a hike, but how can we possibly compete with workers in a country where wages are so incredibly low?" I think that is a really valid question and we have to come up with a reasonable answer or else we risk losing the support of a lot of people in these negotiations.

I would say to those people who worry about that, the answer is that on average about 12 to 15 per cent of the cost of a product is accounted for by wages. It is a fairly low percentage. Less than 2 per cent of the goods that Canada buys abroad come from Mexico. So we are not looking at a very great threat here. It is a really reasonable element of the total cost of producing something that is sent to Canada.

It is also interesting to note that the biggest trading countries in the world are not low wage countries. The biggest trading countries are countries like Canada, the United States, Germany, and Japan. These are countries that have high wages now and yet they still have been able to become the great trading countries of the world. It is not the low wage countries that have been able to take over world trading patterns. They have not been able to do it. For the critics to stand now and say that just because they have low wages in Mexico means they are going to become large trading countries does not follow. We have no experience like that.

I would like to conclude by saying that I do not think Canadians have anything to fear from trade negotiations with any country. We have an environment where we have well-educated workers, we have an excellent infrastructure, we have some of the strongest and largest financial institutions in the whole world. We have a lot in this country that puts us into a very favoured position in terms of trading with anybody in the world.

We cannot hold back world trends. We cannot stand there with our hand up to history, saying: "Stop, Canada wants off here, Canada doesn't want to be part of a globalization of trade". You cannot do it. We must press forward and the government is on the right track. If we cannot get a good deal for Canada we will not take a deal.

• (1750)

Mr. Stan Keyes (Hamilton West): Mr. Speaker, let me move away from what the hon. member for Halton—Peel has called emotional rhetoric and let us get specific.

An article in *The Financial Times* on March 16, 1992 concerning the NAFTA talks states:

> Sources familiar with the talks warn that the U.S. side—which is looking over its shoulder at a hawkish Congress—is putting forward proposals that would protect politically powerful regional U.S. industries. The Americans are out to put the boots to us," complains Stephen Beatty, executive director of the Canadian Apparel Manufacturers' Institute.

An hon. member: Stephen Beatty? Where have I heard that name?

Mr. Keyes: Many observers of NAFTA say what little gains Canada made in the Canada-U.S. Free Trade Agreement will most certainly be lost under what is being negotiated at NAFTA.

As the hon. member for Halton—Peel well knows, Canada is already under pressure from the U.S. regarding softwood lumber and the Honda dispute. Now I hear the alarm bells starting to sound in the textile industry. In my riding of Hamilton West we have a textile manufacturer which employs 700 to 800 individuals and they are concerned.

Let me give the member an example. Presently, Canadian clothing manufacturers can sell a limited amount of clothing containing foreign fabrics to stores on Fifth Avenue in New York. They cannot sell to the U.S. in bulk clothing that has foreign components. This is why the U.S. has ruled against Honda Civics which is not right because the manufacturing takes place in Canada.

Under the NAFTA, the U.S. is considering that every single fibre resulting in the end product of clothing be North American. They are insisting that the yarn, the cloth and clothing be all North American, no foreign components allowed at all.

This is obviously very consistent and convenient for the U.S., since they have long-established links with the Mexican textile industry, providing the market with cheap U.S.-labelled Mexican-made clothing.

This is the specific question that the member is looking for because he says it is all a bunch of hyperbole and emotional rhetoric, et cetera. These are concerns of our industries in our ridings. I put it to the member: Would he not agree that NAFTA will curb Canadian access to the U.S.-Mexican market under this specific regime having to do with the textile industry?

Mr. Turner (Halton—Peel): Mr. Speaker, it is a valid concern, a reasonable point and it is one which it will be interesting to see how our negotiators deal with.

I am not going to stand here and say that all the problems are going to be solved with every industrial sector.

Mr. Keyes: They had better be, that's your job.

Mr. Turner (Halton—Peel): It is not my job to tell you that the government is going to solve all the problems in the country, the government cannot. It would be irresponsible for the government or anybody else to say that is going to be the case.

We are, as I said a few moments ago, in a situation where we have a globalization of trade. It is desperately wrong for Canada to try and buck that trend.

The best protection that all of our industries and those men and women in our ridings who work in the industries which are threatened from time to time can have is if Canada has trading agreements, whether it is at the GATT or whether it is with NAFTA or whether it is under FTA, specific trading agreements which have built into them specific dispute settlement mechanisms.

Obviously, the Americans are going to try and get as much as they want out of this deal. I hope that our Canadian negotiators are ruthless and try to get as much as possible out of the deal for Canada. I think it is reasonable that the three countries as they scrap and fight over every little bone in this thing, are all ruthless and fight for their own constituencies just as we do in this House. There is nothing wrong with that. But I think we must have more dispute settlement mechanisms or else we will fall victim to American protectionism. We have very few ways of battling that right now. We are looking at a country that has an economy 10 times larger than ours.

The United States has had a tradition of protectionism. As was quite rightly said, it now has a hawkish Congress. It has a fearful president. There are a lot of forces in the United States which are really fuelling the fires of protectionism. So I think it is more appropriate than ever that Canada try to sit at a table and come up with a set of rules so that we can protect our constituents' interests.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, in 1988 I also made quite a few speeches to promote free trade. I was convinced that free trade was a good idea, and I still think so today. I also think the globalization of our markets is a good idea for industry. The big problem we had after 1988, after the FTA was signed, was this government's incompetence. Right after the FTA was signed, it failed to put in place the appropriate manpower support programs, for instance.

As soon as the FTA was signed, and this I never could understand, interest rates were raised. The Canadian dollar was also allowed to go up, which prevented small businesses from exporting to the United States. These businesses had already made certain adjustments. They had started to look for markets in the United States and spend money to open those markets.

It was a severe blow to small business, especially in Quebec, and I know what I am talking about. The problem is not free trade with the United States but the

failure of the Tory government to keep interest rates and the dollar down. That is the real problem. It created a terrible recession in this country, and that is why we are going to suffer the consequences for the next 10 years. The real problem is that we have a government that does not know how to run the economy.

We also wonder how come the government let the dollar rise as it did, because during the free trade negotiations, the dollar was worth about 76 cents. A few months, barely a year, later, it was up to 85 cents, enough for the former Conservative minister of trade, Sinclair Stevens, to say that there was probably a secret arrangement between the United States and Canada to let the dollar rise, because it was completely unacceptable and incomprehensible.

Will we have the same problem in free trade with Mexico? Will we have the same problem because we will have an incompetent government to negotiate after the agreement? Will we be able to enjoy the fruits of this free trade?

[*English*]

Mr. Turner (Halton—Peel): Mr. Speaker, the greatest threat that Canada faces in terms of its economy, the certainty of investors abroad, and the ultimate future of Canada, is separatism. I think the hon. member across the way should be ashamed of himself for even sitting in this House.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I was very interested in the comments of the hon. member for Halton—Peel. It is obvious that free trade is going to pose very interesting challenges to businesses and industries in Canada. At the same time, it seems obvious that Canada cannot opt out of the world and exist as a nation behind protectionist barriers and borders serving its own needs and interests.

I want to ask the hon. member for Halton—Peel a question relating to an observation he made early in his speech that indeed the Mexican economy would flourish and benefit by a North American free trade agreement but that Canada too would benefit. In other words, I think he was saying that the pie could be made to grow larger and that there would be benefits not only to the impoverished people of Mexico, but also to Canada.

Opposition critics often leave the impression that we have to be the losers if someone else gains, but in fact common logic would tell us that through free trade and through the elimination of barriers on unnecessary bureaucracy and the creation of more competitive industries, everyone will gain.

Rather than having government policies which look after the Third World and the developing nations by spending money on foreign aid, which this country is committed to at a level of say $2.5 billion a year, I put the question to the hon. member for Halton—Peel. Would it not make much more sense to help those economies to grow and strengthen so that they would not need to rely on foreign aid from the do-gooders who think that we can afford to help the whole world by sending money. They could become truly economically self-sufficient and prosperous.

• (1800)

The Acting Speaker (Mr. DeBlois): It being six o'clock p.m., it is my duty to inform the House that pursuant to Standing Order 81(17) proceedings on the motion have expired.

* * *

[*Translation*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed from Friday, March 20, consideration of the motion of Mr. Mazankowski that Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, be read the second time and referred to the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): Pursuant to order made Friday, March 20, 1992, the House will now proceed to the taking of the deferred division on the motion for second reading of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act.

Call in the members.

The House divided on the motion, which was agreed to on the following division:

(Division No. 121)

YEAS

Members

Anderson
Andre
Atkinson
Beatty
Belsher
Bertrand
Blais
Blenkarn
Bosley
Bouchard (Roberval)
Bourgault
Boyer
Brightwell
Browes
Cadieux
Campbell (Vancouver Centre)
Cardiff
Chadwick
Champagne (Champlain)
Charest
Chartrand
Clark (Yellowhead)
Clark (Brandon—Souris)
Clifford
Cole
Collins
Cooper
Corbeil
Corbett
Côté
Couture
Crosbie (St. John's West)
Crosby (Halifax West)
Danis
de Cotret
Della Noce
Desjardins
Dobbie
Domm
Dorin
Duplessis
Edwards
Fee
Feltham
Ferland
Fontaine
Fretz
Friesen
Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Grey (Beaver River)
Guilbault
Gustafson
Halliday
Harvey (Chicoutimi)
Hawkes
Hicks
Hogue
Holtmann
Horner
Horning
Hudon
Hughes
James
Jelinek
Johnson
Joncas
Jourdenais
Kempling
Koury
Landry
Langlois
Larrivée
Layton
Lewis
Littlechild
Lopez
MacDougall (Timiskaming)
MacKay
Malone
Marin
Martin (Lincoln)
Masse
McCreath
McDermid
McLean
Merrithew
Monteith
Nicholson
Oberle
O'Kurley
Plourde
Porter
Redway
Reimer
Ricard
Richardson
Robitaille
Roy-Arcelin
Saint-Julien
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Siddon
Sobeski
Soetens
Sparrow
Stevenson
Tardif
Tétreault
Thacker
Thompson
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton—Peel)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vien
Vincent
White
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Winegard
Worthy—128

NAYS

Members

Allmand
Althouse
Angus
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)
Baker
Barrett
Bélair
Bellemare
Berger
Bevilacqua
Black
Bouchard (Lac-Saint-Jean)
Boudria
Breaugh
Brewin
Butland
Callbeck
Campbell (South West Nova)
Catterall
Chrétien
Clancy
Comuzzi
Crawford
de Jong
Dingwall
Dionne
Duceppe
Duhamel
Ferguson
Finestone
Flis
Fontana
Foster
Fulton
Gaffney
Gagliano
Gardiner
Gauthier
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Heap
Hopkins
Hovdebo
Jordan
Kaplan
Karpoff
Keyes
Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)
Lee
MacAulay
MacDonald (Dartmouth)
MacLaren
MacLellan
MacWilliam
Manley
Marleau
Martin (Lasalle—Émard)
McCurdy
McGuire
Mifflin
Milliken
Mills
Mitchell
Nault
Nystrom
Pagtakhan
Parent
Parker
Peterson
Phinney
Proud
Prud'homme
Rideout
Riis
Robinson
Simmons
Skelly (North Island—Powell River)
Skelly (Comox—Alberni)
Speller
Stewart
Stupich
Taylor
Vanclief
Venne
Volpe
Wappel
Whittaker
Wood
Young (Acadie—Bathurst)
Young (Beaches—Woodbine)—99

PAIRED MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(7), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

EDUCATION

NATIONAL STANDARDS

Mr. Mac Harb (Ottawa Centre) moved:

That, in the opinion of this House, the government should establish a national task force to discuss national standards of education.

He said: Mr. Speaker, the motion I have put before the House and which I am asking the House to support calls for the federal government to establish a task force to discuss national education standards.

The motion arises from extensive research that has convinced me that education is directly linked to competitiveness. Canada's education system needs to be overhauled to make us better able to compete in a changing world economy.

The key to competitiveness is productivity. The productivity of a nation is closely linked to the literacy levels of its citizens. This is especially true today.

The acceleration of technology and the globalization of trade is changing the workplace and placing increasing demand on the work force.

• (1830)

Current skills are devalued and new ones are created at an alarming rate, but Canada's education system is not keeping up with the demand. A high percentage of our work force is illiterate to some degree and unable to cope with new technology.

Tomorrow's workers are graduating from education programs that no longer equip them with the skills required for meaningful employment. The secret of improved productivity is to improve the skill of the average Canadian.

In the 21st century, natural resources, capital and technology will move around the world. A nation's strategic asset will be the skills of its work force. Literacy and human resource development are therefore central to Canada's economic development, and our competitive future as well.

We need to ensure that Canadians are able to cope with the challenges of a changing workplace. One of the most important ways we can do that is to establish national education standards.

Several broad trends are serving to strengthen the ties between literacy levels and productivity. For example, in an advanced economy, there is steady growth and jobs requiring reading and communications skills. Economic structures are changing with the fast growth of high technology and the relative decline of natural resources and traditional manufacturing.

As you know, Canada specializes in resource related goods. In the 1950s and 1960s, this gave countries an edge in the world market. Today, however, there is a great emphasis on high-tech manufactured goods. Resource commodities are being replaced by information and knowledge-intensive goods.

In this new knowledge-based world, trading advantage depends more on acquired knowledge and skills than on a wealth of natural resources. Canadians are losing ground to industrial competitors who are better than they are at manufacturing, inventing, designing and marketing.

Economic structuring means that the nature of jobs is changing. Firms are reorganizing in order to cope with the increasing international competition and market diversification. In both the manufacturing and service sectors of the economy, these trends imply greater demand for information and communications skills, as well as analytical abilities. Companies, for example, are trying to reorder production so they can respond more quickly and with greater flexibility to market shifts. The changes are placing increasing demand on workers to be able to handle varied tasks, respond to unexpected situations, communicate with other workers and management and train more extensively in the use of special technologies.

Jobs with low literacy skill demands are disappearing. In a report entitled "Workforce Literacy: An Economic Challenge for Canada", the Hudson Institute estimates the fastest growing occupation will demand math skills, verbal and communication skills and management abilities. Jobs in blue collar areas, assembly work in most primary industries will be much harder to find. In

addition, Canadians will have to be able to learn new skills throughout their working lives to keep up with continual technological change.

According to the Hudson Institute, workers' skills and specialized knowledge become obsolete in about three to five years. Just a decade ago, skills stayed current for seven to 14 years.

The Department of Employment and Immigration predicts that many low-skilled jobs will simply disappear. High school dropouts could corner 46.7 per cent of the job market in 1986. Between 1989 and the year 2000, only 37 per cent of new jobs will be offered to those with less than grade 12 education.

Globalization of the economy also affects productivity. Traditionally, Canadians have lived in a relatively insulated environment created by a history of market production. The current trend toward trade revitalization is placing increasing pressure on Canadian workers.

Take, for example, the free trade agreement. It was designed to enhance wealth through productivity. Inevitably, low productivity jobs will be replaced with those demanding proficiency in basic skills. Yet, even as the demands for literacy and basic skills are increasing, the supply is diminishing.

We are facing a demographic revolution that is depleting the labour market. The availability of workers will decline in the decades ahead. Two-thirds who will be in the work force in the year 2005 are already in the work force today, according to the Canadian Labour Market and Productivity Centre. If this is true, companies can expect tight labour markets. Employment and Immigration figures indicate that in 1986 51 per cent of the population was between the ages of 15 and 34. By 2001, that figure will drop to 40 per cent. However, the percentage of those between the ages of 35 and 54 will increase to almost 50 per cent by the year 2001 compared to 38 per cent in 1986.

Given the declining birth rate, employers will be less able to rely on new young graduates to meet their skill requirements. Until recently, employers have counted on educated young people to bring up-to-date specialized skills to the work force. The pool of highly qualified and highly skilled youth is expected to decline by nearly 25 per cent over the next 10 years.

Along with the need to provide quality education in schools and universities, it is obvious there is also a need to further educate the existing labour force.

In many ways, the Canadian education system is superior among countries with advanced economies. Proportionately, only Denmark and Norway spend more public funds on education than Canada. According to the 1991 World Competitiveness Report, the Canadian government spent $1,350 per capita on education compared to economic contenders such as Germany and Japan which spent $820 and $1,080 per capita respectively.

Traditionally, Canada is also committed to accessibility and fairness in education. Only the United States has a higher percentage of youths between the ages of 20 and 24 enrolled in colleges and universities. However, there seems to be a huge gap between input and output. Canada has the lowest productivity growth of the G-7 countries and a miserable score in key factors of international competitiveness.

In a 1991 survey of 23 countries conducted by the World Economic Forum, Canada ranked poorly in many criteria used to determine competitiveness. The forum looked at factors such as growth of exports, spending on research and development and quantity of skilled labour force. Canada ranked 20th in categories such as export of manufactured products and new business generation and ranked 15th in the availability of skilled labour.

International comparisons generally show we are investing enough to remain competitive as long as the skills our students learn are relevant and applied well. Despite high participation rates and high levels of funding, some of the results of our educational systems have been disappointing. The shortfall is most evident in areas such as literacy and numeracy skills and vocational training.

Nearly 40 per cent of adult Canadians have difficulty reading, writing and doing basic maths tasks, according to a survey of literacy skills used in daily activities. The survey was conducted by Statistics Canada in 1989 on behalf of the National Literacy Secretariat. This study pointed out that literacy is not a problem affecting small, marginal sections of the population. It is a central issue determining the competence of the work force. Estimates vary widely, but it is conceivable that about

one-third of workers could do their job better if they were able to use basic reading and writing skills better.

The problem of literacy extends beyond a lack of basic skills. Literacy is a dynamic concept related to the evolving needs of the work force. As the demands of most rewarding jobs rise, the definition of functional illiteracy expands. The literacy survey focused on the ability of people to use their information processing skills. The study suggests the largest problem is with those who can read very simple messages, but are not able to apply these skills to complete complex tasks. Companies are using increasingly complex equipment. Instead of taking verbal instructions from a supervisor, workers now need to read, question and respond to printed instructions from a computer. A wide variety of communication needs constantly emerge in business and can also be classified as literacy related. These may include courses offered in the work place on blueprint reading and business writing.

• (1840)

Employee illiteracy has had quite an impact on Canadian business. In a 1990 study conducted by the Conference Board of Canada, 70 per cent of surveyed companies identified a significant problem with illiteracy. The major challenge facing employers was adjusting to rapid market change. Training and retraining become extremely difficult if employees lack the skills needed to absorb and analyse material.

The study also found that illiteracy hinders companies from bringing in new technology such as computers or high-tech equipment, increases the error rate for input and production processes, increases productivity losses and reduces product or service quality.

The Conference Board study also addressed a number of myths surrounding illiteracy. It found, for example, that first generation immigration affects the illiteracy rate by only 2 percentage points. Indeed, the net impact of first and second generation immigration is positive. According to a demographic review published by Health and Welfare Canada, immigrants, both new and traditional groups, have a higher average level of education compared with those born in Canada.

However, illiteracy strikes all ages but the older generation, in particular, is hit the hardest. A key finding of a Statistics Canada survey is that poor literacy is not limited to select groups of the unemployed and marginalized youth who have dropped out of school. Poor literacy is also found in a significant segment of the older employed adult work force.

For example, only 6 per cent of those between the ages of 16 and 24 have dysfunctional reading levels and only 7 per cent of those between the ages of 25 and 34 have this problem. But this percentage rises to 14 per cent of those between the ages of 35 and 54 and peaks at 36 per cent in the group aged 55 to 64.

It appears that literacy tends to deteriorate over time, partly because individuals do not continue to use their skills sufficiently. This finding has serious implications for an aging work force facing sharply increased training needs.

Those already in the work force will have to learn new jobs and/or new skills to keep up with the global economy. If a large segment have poor literacy skills, the situation will be grave.

Illiteracy is also expensive. The Canadian Business Task Force on Literacy estimates the cost of literacy to society as a whole at about $10 billion a year. It also estimates the cost of illiteracy to businesses at about $4 billion a year in lost productivity, accidents and direct training efforts.

Adult job training is key to increasing basic and technical literacy. There is a vast amount of untapped potential in the Canadian labour force but Canada lags far behind many other countries in adult training. The average Canadian worker participated in 6.7 hours of formal training in 1988. By contrast, an Australian worker received 17 hours; a Swede receive 170 hours and a Japanese 200 hours. Only one-third of Canadian companies provide any training to their employees at all.

In a Conference Board survey, 75 per cent of companies reported problems with basic employee literacy, but only 24 per cent had policies or training programs to deal with the issue.

Currently Canada spends about $5 billion on adult training, roughly one-eighth of the amount invested in formal education. And we are facing other countries that are increasing their investment in work force training. Germany, for example, has increased its expenditure by 45 per cent in the past three years. In Japan, companies are still increasing the time devoted to training. This large shortfall in adult training is clearly unacceptable in competitive terms.

One other major problem is the dropout rate. Nationally 30 per cent of Canadian students drop out of school, in some parts of Canada that number rises to 70 per cent or more. According to the literacy survey, high school completion is key to every day reading skills. For example, 60 per cent of Canadians with only elementary schooling, or without any schooling at all, have very limited reading skills and have difficulty with written materials.

I would like to make a comparison between Canada and some other countries around the world when it comes to our standing on social programs. We will look at the output of that spending.

For example, in the United States they spend 5.3 per cent of their GNP on education; in Canada we spend 7.3 per cent of the GNP on education; West Germany spends 4.4 per cent, and Japan 5 per cent. So Canada spends more than any one of those four countries on education.

The United States spends 4.6 per cent of the GNP; West Germany spends 6.3 per cent; Japan spends 5 per cent; and Canada spends 6.6 per cent on health care.

While we spent more than any one of those four countries on social programs, the results are not very encouraging when we look at the dropout rate.

In Canada, for instance, only 72 per cent of youth aged 17 years are still in school; while in the United States 87 per cent are still in school; in West Germany 89 per cent; and Japan 94 per cent are still in school.

This information was compiled by the Organization for Economic Co-operation and Development.

So, Mr. Speaker, after bringing those statistics to your attention, one would suggest that there is room for improvement.

The motion before the House today calls on the government to establish a task force to discuss national education standards. This would involve consultation with the provincial governments and other sectors of Canadian society. Some of these could include incentives to motivate students to complete their education; improve standards in the core subjects of math, grammar and the sciences; strategies for the training and retention of teachers; methods of assessing students across Canada; regular professional development programs for educators; closer links between employers and the education system; and support for disadvantaged young Canadians. I am sure there are many others that we could add.

Learning has become the key to economic success in the new global trade environment. This has made literacy a major economic issue; it is increasingly viewed as essential to economic performance. In order to be competitive, nations need a work force with a high degree of average functional literacy. But no society can have high quality output without high quality inputs.

I would like to close by saying that the only way to get a high standard of quality is to set national quality standards. The problem has already been well documented. Now it is time for the government to take action to implement long-term educational strategies that can help us tap the full potential of our most valuable resources, our intelligent and competent population.

This House could give leadership to the government by agreeing to this motion today.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I welcome this opportunity to speak to the House today and address the motion of the hon. member for Ottawa Centre to establish a national task force to discuss national standards of education.

It is generally agreed that education has an impact on a country's prosperity, an impact that is felt at all levels of our society and by all its members.

It has become a cliché to say that we live in a constantly changing world. What is unusual in our history is the rapid rate of change we have seen during the past two or three decades.

Before, we could afford to believe that that we would always be able to adjust fairly easily to any changes that would occur.

• (1850)

In Canada, it was felt that our considerable reserve of natural resources would guarantee us an enviable and prosperous standard of living. Today, we see that is not the case. We must now realize that our standard of living will depend less on what we have in the way of natural resources or on our ability to process those resources, and increasingly on knowledge.

Canada, one of the foremost exporters of energy and primary resources, has gradually had to surrender economic power to industrialized countries that have left us far behind in areas like innovation, design, manufacturing and marketing. The increasing globalization of markets has changed the rules of competitiveness. With the creation of large economic and political blocs, whether we are talking about the European Community, the prosperous countries of South East Asia or the new Commonwealth of Independent States of the former Soviet Union, Canada is now facing competition that will become even more fierce in the years to come.

During the past decades, science and technology have become so important to the progress of a country that they must now be considered essential to of our economy, and indeed its prime assets.

Compared with companies in many industrialized countries, Canadian companies invest very little in research and development and rely less on advanced technology. No one will deny that our future prosperity will depend largely on education and training.

This is not the first time the government has considered these issues. In 1986, it made certain commitments that over the years would bring about considerable progress in this field. In 1987, the federal government and the provinces took part in a national seminar on post-secondary education which identified the basic premises for decisions that colleges and universities in Canada will face at the turn of the 21st century.

In 1988, this government introduced a scholarship program for outstanding graduate students in natural sciences, engineering and related disciplines. In the following year, the minister of science established the Network of Centres of Excellence Program, involving universities and hundreds of researchers across this country.

Aware of the important impact of a healthy environment on the quality of life, the environment minister announced in 1991 that $51 million would be spent over a period of six years to help Canadian universities put together a program for funding research and training in environmental studies. And that, Mr. Speaker, is only a fraction of our government's contribution to education.

Whether it is through the Department of the Environment, the Secretary of State, which is very interested in the teaching of official languages, or Statistics Canada, which collects many statistics on education, the federal government has overlooked nothing in making its contribution.

Nevertheless, it recognizes above all that education is an exclusive provincial jurisdiction and it has even suggested that they be responsible for labour force training from now on. That is why we are working with all the provinces and territories, both informally and in specific activities.

Year in and year out, the Government of Canada invests nearly $11 billion in training and education. We definitely consider it an investment because the real dividends it will pay in the form of better education will have a major impact on the standard of living of all Canadians.

We have a considerable interest in education and we believe that this interest must be matched with concrete action and effective measures. With this in mind, last year we launched a dialogue with Canadians, the Prosperity Initiative, on the best ways to meet the challenge of competitiveness.

We know how closely inter-related education, job creation, competitiveness and prosperity are. The Prosperity Initiative deals with these issues in national consultations held by a steering committee representing governments, business, labour, the scientific community, teachers and individuals.

The working papers resulting from these consultations recognize that our technical and scientific achievements are behind those of our competitors, that we do not give knowledge the importance it deserves and that companies do not invest enough in labour force training. This initiative seeks to set priorities for action, especially in the following areas: the implementation of a national strategy of excellence in the field of knowledge in order to acquire the skills necessary to face international competition; giving knowledge the importance it deserves among Canadians; better preparation of young people to enter the labour market; search for ways to encourage young people to take mathematics and science so as to better face international competition in a world that is continually being changed by technology.

We firmly believe that the success of such an undertaking depends in large measure on partnership. Let us have no illusions that the government alone can see the Prosperity Initiative through.

The working paper called *Learning Well—Living Well* clearly states: "This strategy must recognize the different strengths, needs and concerns of all stakeholders—investors and managers, workers and unions, educators, governments at all levels, and individual Canadians. It must also be a strategy that recognizes that actions are necessary at many levels in our society—at the level of the firm, the industry sector, the region and the country as a whole".

We have thus laid the foundation for joint action that will be the key to our future prosperity and well-being. Along with this initiative, we think that it is up to the federal government to encourage excellence and provincial initiatives to increase Canadians' skills and knowledge.

That is why national education standards seem desirable. That is also why we must praise the proposal of the hon. member for Ottawa Centre. These standards could be used to set criteria for improving the quality of education in all regions of the country. They could help us better meet the requirements of the labour market and they could be adapted to international standards and encourage the recognition of diplomas throughout the world and thus give rise to the beneficial exchange of skills between countries. In this spirit, the Prime Minister said three years ago that he would like to see national education standards rivaling those of our keenest competitors.

At the same time, he recognized that provincial jurisdiction in this area must be respected.

[*English*]

A task force on national education would be an excuse for failure to act precisely at a time when we must act quickly, at a time when federal and provincial governments are working closely together.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order. Your time has expired.

[*English*]

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I must say that I am really quite pleased to see that a connection between education and economic development has become almost a matter of conventional wisdom in this House.

However, the debate in which we are engaged right now must be a terrible disappointment to those who are watching and to those who share a true concern that action be undertaken to improve the situation in our nation with respect to skills and education.

It is not unusual to hear a parliamentary secretary utter irrelevant statements designed for no other purpose than to make the government's inaction look good. It is rather difficult however to deal with the situation in which the proponent of the motion has hardly indicated what the meaning of the motion is.

• (1900)

I would congratulate the member for Ottawa Centre for his rather detailed analysis of a number of facts with respect to competitiveness. It bolsters the case rather abundantly already made that if Canada is to compete effectively, if its productivity is to be enhanced, then what we really should be doing is increasing the opportunities for skills development and educational development among our workers. This is the reason just the other day I proposed a motion in this House that there be established a national council on education.

I am entirely puzzled by the interpretation the member has placed upon his own motion. I will read the motion:

> That, in the opinion of this House, the government should establish a national task force to discuss national standards of education.

I would suspect that 90 per cent of the people reading that motion would interpret it to mean that there should be a national task force to develop appropriate means of testing in some direct or indirect way the level of performance of students in this country.

It is a position which has some legitimacy. It is a position that has been supported by industry. It has been supported by school boards across this country. It has been advocated by the Minister of Employment and Immigration. Most important, it has been looked at rather closely by the ministers of education in the provinces.

The result has been the development of the school achievements-indicated program which is designed to evaluate the performance of Canadian students, at least to measure the performance of the schools in providing students with essential skills in mathematics and in communications, reading and writing, as I understand it. This was achieved through a great deal of debate and controversy but nevertheless it is in train.

We might address that issue but I want to return to what the member for Ottawa Centre said ever so briefly, that there should be a national task force to look at teacher performance, a number of functional issues in the schools, student performance, the level of science teaching, mathematical skills, and so on to the extent that I really quite lost sight of the focus.

I wish that he had spent more time on his specific proposal and less time on documenting further what is already self-evident.

As if to make matters worse, as I said at the outset, the government member stood up and said that the government did all of these things with respect to its prosperity initiative. Everybody in the country knows that the prosperity initiative has been a lot of sound and fury signifying and amounting to nothing. There is not a single bit of evidence that the government has in fact taken its prosperity initiative seriously insofar as it concerns education and training.

When we were talking about a national educational council, I pointed out that education must involve everything from day care to universities, as well as training both on and off the job. There needed to be an independent facility by which we could establish leadership in respect of the provinces and the various jurisdictions involved in education, the kind of policy leadership, methodology leadership, standards leadership and all of those things that have been looked at very thoroughly in other jurisdictions with respect to improving education and making it more in tune with economic goals for this country.

I regret that the hon. member has not addressed the issue as he propounded it more thoroughly. I had a glimmer that in fact what he was proposing was something akin to the national council on education which I proposed the other day. If that is so, then I strongly support this motion.

In all fairness members of this place, of which there are few in attendance, certainly do have the right to expect that a proposal brought before this House be brought with sufficient specificity that we would understand what the proposal is and not a somewhat redundant analysis of the sort that we have already heard.

I am sure the member does, however, share the view that what really is at issue most fundamentally has been the gross inaction on the part of this government, if not its irresponsibility with respect to everything that has to do with what we are talking about here with respect to creating an opportunity environment for Canadian citizens.

It has in fact cut contributions to post-secondary education. It has in fact made it more difficult for students to attend colleges and universities by virtue of higher tuition fees and by virtue of less accessibility to those institutions. It has cut by $200 million in the last two budgets the funds available for the Canadian Jobs Strategy.

Just the other day the minister had the nerve—no, I take that back; he had no nerve at all. He sneaked in here on Friday to announce a program for summer employment support for students. He did this on a day when it would not be noticed because, in fact, what the government had done was it contradicted its prosperity agenda once more by making it that much more difficult for young people to attend post-secondary education institutions. He has the nerve to come in here and talk about what this government has done to improve the situation with respect to training, skills development and education.

If the hon. member for Ottawa Centre shares that view and if the hon. member for Ottawa Centre wants to see this government do something, no matter what it is, to indicate a real commitment to improving opportunities for Canadians, then I agree with him. I am sure that we will both continue to fight to get something besides nonsense out of this government.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, it is a pleasure for me to speak to the motion.

Certainly the motion put forward by my hon. colleague across the way deserves serious consideration. Canadians are certainly very well aware that in today's competitive world, the higher their level of education, the better their chances will be of enjoying a comfortable living.

If the purpose of my hon. friend's motion is to encourage discussion on national standards of education, then I am pleased to inform him that the government is already attempting to do that. The consultations that now are taking place are part of the prosperity initiative that was talked of earlier and it was announced by the government in the Speech from the Throne on May 13.

To quote from that speech: "Canada's ability to prosper in a global economy will be determined by the level of Canadian educational achievement, by the sophistication of our management skills and by our attitudes to work and to change. In the dawning knowledge age, how well we live will depend on how well we learn".

To quote one other passage from the throne speech that also addresses the hon. member's motion: "The time has come to reach a national consensus on performance, goals, partnerships and the priorities for learning. As part of my government's new agenda for prosperity, a discussion paper on learning will be published to stimulate and focus discussion on education and training".

• (1910)

The government fulfilled that promise on October 29 of last year. That was the day the Minister of Employment and Immigration released a discussion paper entitled *Learning Well, Living Well* which is an essential part of our prosperity initiative as a government. The paper identifies the challenges to learning that Canadians faced during this decade. We all agree to that and I agree with my hon. friend across the way on that. It focuses on the importance of developing a learning culture both at home and in the workplace. It suggests various ways of setting up a system of lifelong learning so that Canadians can acquire the skills needed for their very important working life.

On that same date last October, hon. members will recall that the Minister responsible for Industry, Science and Technology and International Trade tabled a discussion paper entitled "Prosperity through Competitiveness". The minister's paper zeroes in on the four areas we believe will help us to compete more successfully as a country.

First, it is science and technology that includes research, development and technological innovation. The second deals with improving investment in Canada's enterprises and being much more innovative.

The third component addresses the need for an integrated domestic market as a base for Canadian businesses to compete internationally and globally. The fourth area talks about the necessity to open and exploit new international markets.

These two papers are now the focus for consultation, as my hon. colleague knows. It is being managed by the private sector steering group. It is not being managed by the government or government members. The group's members reflect a broad section of Canadians. In September it is planning to produce a plan for action for governments, business, labour, educators, scientists and, of course, ordinary Canadians.

These measures have been undertaken because the future economic health of this great country depends on our ability to compete internationally. That ability will be determined by our level of skills and education. Therefore, the prosperity initiative is closely linked to international competitiveness and learning.

My hon. colleague knows that education falls under the jurisdiction of the provinces. That is true and the federal government fully accepts that. Nevertheless, we are all Canadians. If we are to function as a strong and viable nation, then we must work in partnership; a partnership of federal, provincial, territorial and municipal governments; a partnership of business, of labour, of educators, of parents and students; in sum, a partnership of all Canadians working to ensure the future prosperity of this magnificent land. In other words, we are all moving toward the same goal and I know my hon. colleague's motion means the same, to have a better chance of meeting it.

What we are talking about here are goals, something that we can set our sights on so we can survive and prosper in the 21st century. That is why the prosperity initiative has helped define this discussion by suggesting several Canada-wide goals of excellence; for instance, cutting illiteracy rates in half; ensuring that 90 per cent of Canadians obtain high school diplomas or the equivalent by the age of 25; doubling the number of post-secondary graduates in mathematics, the sciences and engineering, and the quadrupling of training provided by employers to their employees.

Already, consultations are taking place. For example, more than 150 town hall meetings have been held across our country in small and large communities. The national steering group is also consulting with the national associations and they are seeking expertise from individuals. Cabinet ministers are meeting with representatives of their client groups.

These discussions are being driven by the private sector, not by the government. My hon. friend will be familiar with another example of how consultations have resulted in a new partnership that is working toward national standards. I am referring to the Canadian Labour Force Development Board and I think he referred to that.

Hon. members will recall that the board is comprised of 22 leaders from business, labour, education and training institutions and social action groups. This independent body determines its own priorities and hires its own staff. The board is studying the issue of training and occupational standards. This is extremely important. It means the partnership is working. It sets the tone for a productive relationship between the public and private sectors.

This is not just at the national level. They are now consulting with their local constituency groups, the provinces and the territories to set up a network of 50 to 75 local boards across the country. That initial meeting in my area will take place on April 22, and my community is certainly looking forward to it.

As well, Employment and Immigration is working hand in hand with the private sector bodies to develop occupational standards.

I want to say to my hon. colleague we are certainly in agreement. I certainly agree with his concern and interest in education and educational standards and with his interest in giving Canada's people, from infants to adults, the opportunity to receive education or retraining. It is important in our country today to build upon a solid base of educational expertise and make sure more people have the opportunity for enhanced education and training. Then they will have the kind of incomes we want Canadians to receive and the country will be in the kind of competitive situation we want it to be in.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am delighted to be standing here in this House this evening to discuss and debate this particular motion which deals with the possible setting up of a national task force to discuss national standards in education.

My colleague from Ottawa Centre is to be commended not only for his address, which reminded us of a number of points that were particularly important to Canada and Canadians today, but also for having undertaken this initiative.

I think it is important, as I begin this particular discussion, to indicate that if we want to set up a task force we must involve some of the key stakeholders from a number of different communities to help us come to grips with this particular problem, so no decision has been made initially. The idea is to have a group of people come together to attempt to work out a solution, therefore national standards need not involve testing or the evaluation of teachers as was suggested. It really could be a statement of goals, objectives, skills for development, something to set one's sights on, as my colleague has just mentioned.

I also want to say in a positive way, I do not want to be partisan on this issue, that the government's intent was really quite noble and there are a number of initiatives out there. In fact, I have said before, perhaps in a moment of passion, the rhetoric was fine, but where was the action? It is not simply the action in terms of the various commissions and groups that have been set up, but where are the concrete results that will bring us to having national standards or goals or objectives or call it what you will?

The other thing I want to mention initially is that it is important for us to recognize that education, almost any way you would define it, is a provincial constitutional responsibility. We accept that, but I also want to say, as strongly as I can, that we are looking for co-operation, not imposition. Surely co-operation is possible and I will come to that later.

One of the questions we must ask is why? Some of my colleagues have answered why from their perspective. Let me tell you why from my particular perspective. There are no real transferable standards in this country if one looks at the whole.

[*Translation*]

Take, for instance, our universities. If as a university student I want to transfer to another university to take the same program, the credits I already have would not be recognized.

The same applies to community colleges. For instance, if I had a university degree and I wanted to go to a community college, or if I had a college degree and I wanted to go to university, I have no guarantee the courses I had already taken would be evaluated at the same level by another university or college. It is even worse when you leave the province. This kind of situation exists within each province, and of course it is worse when you go to another province.

In high school for instance, it is very difficult for a student to transfer from ninth grade in one province to ninth grade in another province. The same applies to grade schools.

[*English*]

You would almost think that the trades might be simpler. It is for a number of trades where they have the red seal stamp of approval, that is, where groups have got together and decided what it is that constitutes that particular trade and what one must have in order to practise that trade elsewhere in Canada. But that is not a large number if one looks at all of the trades.

Even in the professions this is a problem. You cannot go from one province to another in a number of professions without having to jump through a whole lot of additional hoops and hurdles.

We must ask the question: Is this really absolutely necessary? Is it functional? Is it something that helps us as a country? I suspect it does not. I have not even raised the question of apprenticeships. We have many that exist in certain provinces that do not exist in others. If you wanted to transfer from one particular program to another, it is extremely difficult and very, very complicated.

This is a labyrinth and that is being kind. We need to bring some sort of order into it. What we are really seeking, at least I am from my particular perspective, is to try to make it much more logical.

When we talk about productivity, competitiveness, globalization, we see other countries reaching out. They have different languages, different systems of education, different traditions and cultures. While we have significant differences in our own nation, those differences are in many instances not as large as they are in other nations. Surely we should be able to do that.

Let us look at Europe. There is increasing co-operation. In some of the Asian countries we see the same thing, as well as in a number of other countries in the world. We want people to be able to practise law, dentistry, carpentry, be a mechanic, a teacher, a pharmacist or do any number of things and be able to go from one area to the other more easily, without having to go through a lot of extras that are particularly debilitating and discouraging for people who have studied.

One of the problems we have in Canada is a lack of co-operation on a number of fronts. I have just completed a report with the co-operation of colleagues. It was less than perfect. We knew that. But we now see the premiers coming in with their own solutions and I wonder what is going to happen to this country in the final analysis.

On the economic scene there is a meeting being held now, or very shortly, and there are people coming in from different parts of the country with their solutions. If we look at social issues such as the provision of quality health care, we get different solutions from different parts of the country. In education there are different solutions from different parts of the country. There is very little meshing, co-operation, understanding, trying to streamline, trying to agree that we can do something in a way that can be portable from one area to another.

The question we have to ask is who speaks for the whole of Canada on those issues, whether they are economic, social, constitutional or educational. I could name a number of other areas such as the environment. Who speaks for the country? Who speaks for Canadians and puts Canadians first?

We are discussing tonight an issue which attempts to ensure that Canadians wherever they study, at whatever level, can take that learning, whether it is knowledge or skills, use it in another setting and be rewarded appropriately for it and be given the credit they deserve. That is what we are talking about. That is what it is all about. I could speak for a long, long time, but I shant. I would simply like to come to the end of my remarks by saying:

[*Translation*]

We find examples of co-operation throughout the world. In fact, countries whose economy is particularly stable and strong are countries where people have learned to work together, to co-operate. That is what I want for Canada. I do not want to impose a federal vision, but I want Canadians to get together and try and find flexible solutions that respond to the needs of all Canadians.

[*English*]

You will have noticed, Mr. Speaker, that this is a simple, straightforward motion. I think all my colleagues from each of the parties have been in general agreement with its direction and thrust. Therefore I ask through you, Mr. Speaker, for unanimous consent of the House for acceptance of this motion.

There is no vote. It is not binding. It seems to me that if we are sincere in what we have said, we ought to give this motion unanimous consent.

[*Translation*]

I therefore seek that unanimous consent, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. DeBlois): Hon. members have heard the terms of the motion. Is there unanimous consent?

An hon. member: No.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Since no more members wish to speak, 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.

[*English*]

It being 7.25 p.m., this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 7.25 p.m.

HOUSE OF COMMONS

Wednesday, March 25, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

INDIA

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, Canada does half a billion dollars of trade annually with India. It also provides $93 million more in aid. India is a fellow democratic country.

Amnesty International reports embarrassing human rights abuses on the part of our trading partner. Indian police forces and security personnel routinely visit fear and violence on men, women and children of all ages with a methodical and brutal tyranny.

During the last six years alone, 415 detainees have died at the hands of law enforcement agents who act with apparent impunity and immunity. Rapes, torture and mutilation by these agents have become the *modus operandi* to maintain order. The victims have been and continue to be members of minority and social and religious groups. Many of those have sought refuge in Canada. One hundred and thirty thousand Canadians identify India as their country of birth.

Now Amnesty International has exposed India's condition for what it is. Canada must press India to either correct these abuses or be confronted with a loss in aid and/or sanctions on trade.

* * *

[*Translation*]

BILL C-13

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, when Bill C-13 was passed last Thursday in the House, we again saw the inconsistencies of the "indépendantistes" in Ottawa. Bill C-13 makes it incumbent on the federal government to set up an assessment process.

On April 9, 1990, the leader of the Bloc Quebecois, who was then Minister of the Environment, said in the House that the federal government's jurisdiction was quite clear in the matter of environmental impact assessments. Its jurisdiction stood without question, especially in the case of the James Bay project.

After the leader of the Bloc Quebecois crossed the floor of the House, on October 31, 1990, the *Journal de Montréal* reported him as saying it was clear Quebec was not doing its job with regard to the environment. It did not want an assessment, so the federal government had to go ahead with it. Ottawa's jurisdiction in this respect was clear and unquestionable, so there was nothing surprising about the fact that the federal government should move into that area.

Mr. Speaker, it is high time the leader of the Bloc Quebecois took a clear stand and told Canadians and Quebecers that his position has not changed and that the federal government needs legislation to conduct its environmental assessments.

* * *

[*English*]

SAVE OUR NORTH

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, the Save Our North Committee is in Ottawa today. The members of this committee which is made up of concerned individuals, municipal representatives and members of local organizations have a common interest in the future of the resource industries of northern Ontario. The committee is committed to working in partnership and co-operation with all levels of government.

The Save Our North Committee is endeavouring to emphasize the critical situation northern Ontario is facing. There are 30 per cent less jobs in the mining sector and this year there will be 33 million less trees planted in Ontario. The tireless hard work of the committee has I believe resulted in proposals which will

lead to a new, stronger partnership between the resource industries, northern communities and all levels of government.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, several days ago I rose in this House to chastise the CBC for its confused interpretation of its very own policy on advocacy advertising. I am glad to note that the CBC has shaken its head and in doing so, has shaken away some of its confusion.

On March 18 the CBC announced a change in policy; that is, to paraphrase CBC president, Gérard Veilleux, designed to serve the evolving needs of Canadians by promoting freedom of speech and the legitimate opportunity to be fairly heard.

What this means is that if a Canadian wants to run an ad promoting Canadian unity, then the CBC, Canada's TV station, will run the ad.

This is a welcome step away from creative interpretation. It is a welcome step away from confusion and superficial hypocrisy and a giant leap toward the world of common sense inhabited by most Canadians.

My commendations to the Minister of Communications on the management of the CBC. Yes, indeed, I would like to commend the CBC on its recent policy change and welcome it back to the world of real Canadians.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, Canada is facing the indignity of U.S. meddling in our forest policy with a delegation of U.S. officials going through the files of the government of British Columbia as they relate to the softwood lumber dispute.

Included in the U.S. delegation is a former lobbyist for the U.S. lumber industry. A spokesman from the Canadian embassy in Washington said the government is going to try again to have this softwood snoop removed from the country.

Now the draft North America free trade agreement is looking for more ways for the Americans to undermine our sovereignty and stick their noses where they do not belong.

Members from this caucus will be going to Washington, D.C., on Tuesday to tell Washington that Canada's sovereignty is not negotiable.

* * *

[*Translation*]

CROSS-BORDER SHOPPING

Mrs. Gabrielle Bertrand (Brome-Missisquoi): Mr. Speaker, I want to take this opportunity to congratulate and thank several groups and individuals who are working together to promote buying at home and stop cross-border shopping. I would like to start with our local weeklies. Last week, 21 weeklies in the area distributed 500,000 copies of a special 20-page insert under the headline "U.S. bargains, an illusion?"

This initiative is only one of several in my riding, including those by the chambers of commerce and local business people in Bedford, Bromont, Sutton, Cowansville, Magog and Farnham. These initiatives are starting to produce results, and I hope people will realize how serious the situation is and that the drawbacks of cross-border shopping have been underestimated. By crossing the border to do our shopping, Mr. Speaker, we are destroying our economy and helping to maintain high levels of unemployment in this country.

* * *

NATIONAIR

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, Quebec has a major labour dispute on its hands. Nationair locked out its employees on November 19, and since then there have been practically no negotiations and the parties are no longer talking. The stalemate continues and is largely due to a lack of anti-scab provisions in the Canada Labour Code. Quebec does have anti-scab legislation, which tends to make labour relations more civilized.

The Bloc Quebecois suggested adopting similar provisions last year, but the government side objected. A comparison of both sets of legislation illustrates the inconsistencies in the federal legislation. However, the dispute must be settled, and both parties must be asked to go back to the negotiating table with a mediator. The union must also be requested to stop its boycott of the

company as soon as negotiations resume. Finally, the employer must be asked to bargain in good faith, to ensure that the dispute is settled in the interests of the company, the unionized workers and Quebec's economy.

* * *

REPENTIGNY SEA CADETS

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, today I would like to salute an original and dynamic initiative from the Repentigny sea cadets, who with the help of the municipality of Repentigny organized a clean-up of the banks of the St. Lawrence in that community. With the participation of the public and many sponsors, Repentigny will become the first city in Quebec to clean up its waterfront on such a scale.

Lieutenant Commander Alain Boissonneault and his cadets have shown exemplary energy and dedication in implementing this project, which proves that cadets can play a positive and constructive role in improving our quality of life. Pollution is the new enemy to beat and the Repentigny sea cadets are the pioneers of a new generation of Canadians. I want to congratulate them and encourage them to continue in that direction and I call on all Canadians to follow the example of the Repentigny sea cadets so that future generations can enjoy a quality environment.

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LEBANESE REFUGEES

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, the Lebanese refugees ended their hunger strike today at Lebanon House in Montreal. In so doing, they responded to the urgent appeal from my colleagues, the Hon. Warren Allmand, our party's immigration critic; our caucus chairman, the hon. member for Saint-Denis; our esteemed colleague Mac Harb, the hon. member for Ottawa Centre, and from me.

• (1410)

We now hope that the minister responsible for immigration and the government will understand that the situation in Lebanon is not what people here in Canada seem to think it is and therefore we ask the government to consider these requests for humanitarian and political reasons.

* * *

[*English*]

ETHANOL FUELS

Mr. Rex Crawford (Kent): Mr. Speaker, I applaud the efforts of the farmers and other business people in Kent county for their launching of a feasibility study for an ethanol plant. More than 350 people turned out Monday night in my riding since Kent is an obvious site for an ethanol industry.

My riding is the number one corn producer in Canada and Ontario corn growers as a whole produce nearly 75 per cent of the Canadian total. Ethanol makes both economic and environmental sense. It is the fuel of the future, while creating other markets for our grains and helping the local economy.

I will be presenting a petition signed by hundreds of agribusiness people urging greater federal promotion and commitment to ethanol fuels, with a legislated 10 per cent blend for all automotive fuels.

This community-based enterprise makes sense any way you look at it. I support the Chatham ethanol consortium 100 per cent.

* * *

[*Translation*]

INFORMATION ON AIDS

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, recently I went to meet students in grades 5 and 6 in schools in my riding in order to personally give them the government's information brochure on AIDS.

For me, it was a wonderful opportunity to realize how receptive our young people are to positive information and how eager they are to have it.

I wish to point out this timely initiative of our minister of health and I thank him on behalf of these young people. I hope that this pamphlet will be followed by many more that are equally constructive.

S. O. 31

[*English*]

O CANADA

Mr. Garth Turner (Halton—Peel): Mr. Speaker, when disk jockey Ross Carlin could not find a professional copy of *O Canada* to play on air during the gulf war, he started an odyssey which came to involve hundreds and hundreds of Canadians. Now, in Canada's 125th year, we have new versions of our national anthem performed by the country's best musicians and artists. Every school in Canada now has a copy of the anthem, thanks to the non-profit *O Canada* foundation.

It is an honour to rise in my place today and pay tribute to those behind the *O Canada* foundation—Ross Carlin, Brian Lyon and Hayward Parrott. It is with a glowing heart that I direct the attention of this House to these great Canadians today in the gallery.

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SAVE OUR NORTH

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, representatives of Save Our North are in Ottawa today to bring the concern of communities from northern Ontario to all members of the House and to all Canadians. Save Our North is a broad-based coalition of northern Ontario prospectors, workers, concerned individuals and communities whose livelihood is connected to resource industries.

I want to remind everyone that mining, forestry and other resource-based industries are still the backbone of our economy. Northern Ontario communities know that economic diversification is the key to their survival.

However, we cannot forget that if we want economic growth we must look toward resource industries to provide a much-needed economic base.

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NATIONAL PHYSIOTHERAPY WEEK

Mr. John Reimer (Kitchener): Mr. Speaker, this week is National Physiotherapy Week, an occasion acknowledging the vital role that physiotherapists play in the health care field.

Physiotherapists work in many settings, including acute and extended care hospitals, rehabilitation and mental health centres, private clinics, community and government agencies, educational institutions, sports and recreation centres and industry.

The theme chosen by the Canadian Physiotherapy Association to celebrate this week is "Physiotherapy, Your Key to Independence". Physiotherapists play an important role in helping people remain independent. They help people of all ages and health levels achieve their highest level of physical function.

I invite all Canadians to join me in saluting physiotherapists in recognition of the important contribution that the profession continues to make to the well-being of Canadians.

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FARM DEBT

Mr. Vic Althouse (Mackenzie): The total farm debt in Canada stands at about $23 billion, almost the same as the reported debt of Olympia & York. Farmers have millions of acres of land for their security; Olympia & York has 80 some acres along Canary Wharf and a few other pieces here and there.

Twenty per cent of Canada's farmers have already had to restructure their debt load. Almost without exception there has been no write-down of the debt. For most, there was no special bank rate nor special interest rates. In fact, Farm Credit Corporation extracts an extra charge of $5 for every $1,000 worth of debt restructured, after which the long-term interest rate is more than 12 per cent.

The Department of Finance, major Canadian banks, the Canadian and Ontario governments and even the Bank of Canada are rallying to the Olympia & York cause. If Olympia & York gets better treatment than our farmers got, the government and the banks had better provide similar retroactive financing for farmers too. After all, fair is fair.

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RACIAL DISCRIMINATION

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, on March 21 we celebrated International Day for the Elimination of Racial Discrimination, so declared to commemorate the anniversary of the Sharpeville massacre.

We are fortunate to live in this culturally and ethnically diverse country called Canada. However, we continue to be plagued by tensions among our peoples.

Six in ten Canadians believe racism is on the increase and almost 70 per cent say it is a serious issue. White job applicants get three job offers for every one received by visible minorities with similar qualifications and experience.

There are promising statistics as well. Eighty-nine per cent of Canadians support activities to eliminate racial discrimination through public education; 90 per cent support activities to improve equality of employment opportunity.

Only when such measures take root can we truly celebrate. Let us continue to work toward true justice and integrity in Canada.

ORAL QUESTION PERIOD

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister for International Trade.

As we all know, the European Community has set minimum standards for its social, agricultural, economic and environmental policies.

Yesterday the minister said in the House that working conditions and environmental questions would not be negotiated at the same table as the free trade agreement between Canada, the U.S. and Mexico. I would like to ask the minister whether he can give the House the assurance that if, as and when the free trade agreement between Canada, the United States and Mexico is signed, it will not be signed unless minimum standards for working conditions and environmental protection are the same for Canadians and Mexicans.

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my hon. friend has raised an interesting point here because he is comparing the European Community and what they are seeking to achieve and the free trade area between Canada, the United States and possibly Mexico.

In Europe, they are seeking a common market which results in a considerably greater degree of political integration. They want to have the same monetary policy, the same currency as well as these other standards which my friend has referred to.

We are not seeking that with the United States nor with Mexico because we do not want to see the political integration that comes with the common market in the arrangements that we would have with the United States or Mexico.

If my hon. friend wants to pursue that sort of line, I ask him if he would want to have the same health care system in Canada as they have in the United States. Does he want to have the same environmental standards in Canada as they have in the United States, the same labour standards? I do not think he would want to do that. It is for that reason that we want to keep those separate and just limit our discussions to trade.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker should know if there is no such agreement. For example, today we read in the press that President Salinas of Mexico had to impose some very drastic measures in the city of Mexico because the level of pollution is four times the level acceptable for human beings.

So I want to know from this minister, can he guarantee to the Canadian people and Canadian workers that just because industry can pollute as much as it wants in Mexico, the jobs of Canadians and the industries of Canada will not go to Mexico and Mexico City?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend neglects to recognize what the position of Mexico is.

• (1420)

The Mexicans have invested a considerably greater amount of resources in the enforcement of their environmental standards. They have shut down a major refinery in Mexico City because of the pollution there.

Their standards are comparable to the standards that we have in Canada and that they have in the United States.

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): My hon. friends are laughing. I say to them: Check the facts. Check the facts, and hon. members opposite will find that the standards are the same but the enforcement is not.

It is for that reason that we are seeking better enforcement of the rules through the parallel discussions that we are having and the agreements that we are entering into.

I should just make one other point in that for new investment, if a new plant wants to go into Mexico, it is governed by the standards. It is the enforcement of the standards on existing plants which, if they did it too rigorously, would cause great job losses there.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, that is a terrible admission on the part of the minister, to tell us that the standards are accepted but not respected.

What we want to know from this government is what it will do if the standards are not respected by Mexicans at the expense of Canadian workers.

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, the question of the Leader of the Opposition, interestingly enough, is based on a few assumptions.

Among them is the assumption that Mexicans for some odd reason care less about their environment than Canadians do. That is false. They care as much about their environment as we do.

In fact, the other assumption on which the hon. member bases his question is some sort of paternalism from developing countries towards development.

I think if he were to look at the facts he would find that no later than February 25 last, the governments of the United States and Mexico announced a joint border plan to deal with environmental issues, a $450 million initiative.

The Government of Mexico itself has committed its government to increasing the amount of funds very substantially. The Government of Canada will contribute to this effort through a joint agreement signed by Prime Minister Mulroney and President Salinas in March 1990 under which we are going to assist the Mexican government in the enforcement of its environmental laws.

At the end of the day, I have the greatest conviction that this environment and trade deal will be good for Canada. It will also be good for Mexicans.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the Minister of Energy, Mines and Resources announced in Calgary today the ending of the limits on foreign ownership or investment in the Canadian petroleum industry.

Why did the minister do this when Canada is in the midst of North American free trade negotiations? Why did he give away this major bargaining chip at a time when the energy provisions are part of the North American free trade negotiations?

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the announcement that was made earlier today by the Minister of Energy, Mines and Resources has nothing at all to do with the trade issue.

It is entirely within the hands of the country, and it is something that the industry was looking for.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, clearly the parliamentary secretary does not understand the nature of the announcement.

The fact is that it has come at the very time when energy is actively under negotiation in the North American free trade agreement. Mexico, for its part, limits foreign ownership in the petroleum industry.

I would ask the parliamentary secretary who is answering for the minister: Why has the government lifted the limitations on U.S. ownership only and discriminates against the other foreign investors?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, as the minister responsible for Investment Canada, I make it very clear that the rules for oil and gas are now the same as the rules for manufacturing or other industries.

My hon. friend makes reference to Mexico and the controls that it has on foreign ownership of its energy resources. That is governed by its constitution, and those are not subject to negotiation under the free trade agreement.

Hon. Audrey McLaughlin (Yukon): My question is for the Minister for International Trade.

Yesterday the minister played down the significance of the Canada–United States–Mexico trade deal saying that trade between Canada and Mexico only amounted to one per cent.

Yet, if we look at the draft deal, there are massive changes proposed with both Mexico and the United States in telecommunications, auto parts, transportation, pipelines, courier services, financial services, the drug industry and agriculture to name just a few.

This is not an insignificant deal as the minister is trying to propose to the Canadian people. It is not an insignificant deal between Canada, the United States and Mexico.

My question to the minister is this. How can the minister insist that this deal only concerns one per cent of our trade when it touches every major area of trade in Canada?

It is time the minister came clean with the Canadian people.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend was speaking very quickly.

I got a couple of the industries she is talking about. What we are proposing with telecommunications is no different from what the arrangements are under the free trade agreement with the United States.

I cannot understand the position of the New Democratic Party nor the position of the Liberal Party where they are saying they want to protect and limit the size of the market for the high-tech telecommunications industry in Canada. This is an opportunity for them to get into what I believe is a $10 billion market in Mexico. Surely my friend would be pushing us to encourage that and to make it possible.

Now on automobiles, I do not know where my hon. friend has found the information she has because there has been no agreement. There has been nothing written concerning automobiles in the negotiations so far.

We are discussing it because it is a one-way free trade deal with Mexico right now. They have free access to our market. We have many, many barriers to getting into their market. That is one of the reasons there is a significant trade deficit on Canada's part on automotive products with Mexico.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the minister. One thing is clear to Canadians. It is a one-way trade deal. The jobs go out of Canada. That is what Canadians have seen happen.

[*Translation*]

The government has repeatedly said in the House that it supported marketing boards in the agricultural sector.

However, in the document released yesterday, the draft North American free trade agreement, that same government is proposing a tariffication system. Why does the government say one thing to farmers here in Canada and the exact opposite to the United States and Mexico?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me be very, very precise on this because my hon. friend is misreading the text.

What is proposed is a tariffication of non-tariff barriers in those parts of agriculture not, let me repeat not, subject to supply management.

In those areas of agriculture which are subject to supply management, the position in the North American free trade negotiations is exactly the same as the position that we set out in the Uruguay round, as was also the case that we agreed on in the agreement between Canada and the United States. In other words, we are seeking a strengthening and clarification of article XI in support of our supply management system.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, if the minister feels that he is misunderstood, perhaps the best solution would be if he came clean with the Canadian people and explained this trade deal with Mexico so Canadians could understand every part of it and understand it clearly.

But it is clear from the draft agreement that the Canadian government proposed and supported the very same system of tariffication.

However, it is clear the results of the last trade deal this government signed have lead to increased unemployment with 400,000 jobs lost. We have not seen the adjustment programs this government promised because of that trade deal. The last deal was a failure. This deal proves to be a disaster.

I want to ask the Minister for International Trade, why is this government insisting on quick passage of a trade deal on which Canadians have not been given full information and on which this government has not done a full study in terms of implications for Canada?

• (1430)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend, in the preamble to her question, has distorted what I just said in my previous answer. It is that sort of distortion which contributes to the misunderstanding that Canadians have of the objectives we have set out for Canada in these trade negotiations.

I would ask my hon. friend, before she distorts the things I am saying, to think very carefully about what she is doing. I explained very clearly, very precisely, what our objective is as it relates to the supply managed areas of the economy and the other areas of agriculture.

My hon. friend also said that I am in a rush to pass this free trade agreement with Mexico. That again is a distortion of what I said in the House yesterday. What I said in the House yesterday was that the agreement would drive the timing. In other words, we want to have a good agreement before we set any deadlines. We are not setting deadlines. What I also said in the House yesterday was that there was nothing magic about the January 1, 1993 date.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the reality is that the Canadian government is pushing for that deadline, and that was obvious in the document yesterday.

My question is for the Minister for International Trade. The majority of steelworkers live and work in the Hamilton area. They were taken to the cleaners in the last free trade agreement, and they are frightened to death that it is going to happen again. They are worried because steel goes into cars and there is not one word in this 408-page document to protect Canadian content rules for automobiles.

[*Translation*]

There is no protection for the automobile industry in Canada.

[*English*]

We know what the Mexicans want out of the deal. We know what the Americans want. Why did Canadians not seek protection for the Canadian auto industry in this deal?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend said that the steel industry was taken to the cleaners with the free trade agreement. There was a good deal of support for the free trade agreement with the United States. My hon. friend realizes that and I know she understands it. Again there is a good deal of recasting of history with her statements.

She is saying there is not one word in what she saw in that document yesterday. Correct, there is not one word because we have not put forward a position, nor have the Americans, nor have the Mexicans. We are still discussing on what basis we might be able to come together to help support a strong automotive sector in Canada, the United States and Mexico in competition with the rest of the world.

Those discussions are still continuing, fully involving the industry and fully involving the union in support of the position we will be putting forward.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it is not just the opposition members who believe the government does not know what it is doing.

I have sent the minister a copy of an article published in Hamilton today by his colleague, the Conservative member of Parliament for Hamilton—Wentworth. He said, and I quote: "Close to half a million jobs have been lost as a result of the Canada-U.S. free trade deal".

"We've been getting conflicting signals from Barbara McDougall, from Michael Wilson and heaven knows who else".

"Something sneaky is going on behind the scenes concerning the North American free trade deal".

Why is the minister proceeding with these secret negotiations when his own Conservative members say something sneaky is going on?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I am not going to attach any credibility to the statements that she has just made. What I will say is that the discussions we have been carrying on have been carried on with the full knowledge and full consultation of the industries affected, as well as the provinces.

Let me, if I may, quote from a letter from the Premier of Ontario: "We have appreciated the care with which we have been kept informed of the progress of negotiations and the opportunities to offer suggestions about the development of Canadian positions on the range of issues involved".

I think that clearly says the Premier of Ontario is appreciative of the way we have involved the provinces in the development of our position.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is for the Minister for International Trade.

On the steps of Parliament Hill the Deputy Prime Minister told 40,000 Canadian farmers that he was supporting them at the GATT, that he was rejecting tariffication. Yet on the same day his trade officials put forward proposals in a draft NAFTA which clearly stated that Canada was willing to give in to the Americans on tariffication. Nowhere in this agreement does it distinguish between supply managed and non-supply managed commodities.

Why the contradiction? Why the deception? Why is the minister telling one thing to the Canadian farmers and another to American and Mexican negotiators?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I think the Minister for International Trade was quite clear just now.

Canada's position on marketing boards at the three-way talks with the United States and Mexico is exactly the same as its position in Geneva. We have tabled equivalents, Mr. Speaker, but we still have to look at the figures. The tariff equivalents tabled during the week of March 1 in Geneva cover all agricultural sectors except marketing boards.

As far as tariff equivalents are concerned, we maintain the position we have had for the past two years: that article XI must be strengthened and clarified. That is the Canadian position, and it has not changed. I think hon. members on the other side should take a careful look at the documents they have in their possession, to see what Canada's position is.

[*English*]

Mr. Bob Speller (Haldimand—Norfolk): I have a supplementary question, Mr. Speaker.

The draft agreement clearly states that Canada has proposed wording on tariff equivalents, and nowhere does it say that there is a difference between supply managed and non-supply managed commodities.

Why has the minister asked his negotiators in Geneva to say one thing and his negotiators in Washington to say another? Why is he misleading Canadian farmers?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I want to be quite precise on this because I know my hon. friend is expressing an interest on behalf of his constituents.

The member is referring to article 502. He should read article 502 also in the context of article 508 which clearly refers to our rights under the GATT and under the free trade agreement.

Under the GATT and the free trade agreement we have retained our rights under article XI(2)(c) which provides us with the ability to support supply management operations. It is on that basis that our position in the NAFTA and our position in the Uruguay round of negotiations is exactly the same, which is to say we are seeking a strengthening and a clarification of article XI.

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PETROLEUM INDUSTRY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Acting Prime Minister.

This morning the Minister of Energy, Mines and Resources announced the removal of the last vestiges of significant limitations on foreign investment in the Canadian petroleum industry. All a would-be investor has to do now is take a stroll past the Investment Canada welcome wagon.

This move will create no new investment in our price depressed oil patch. Just today the foreign owned Mobile Oil announced it was laying off 300 employees in Alberta.

My question is: How many dollars worth of new foreign investment does the government estimate will result from this move to sell out even more of Canada's energy industry?

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I would imagine the hon. member for Edmonton East, a western member, has certainly had representation over the last number of weeks and months from the industry on the difficult times that it is facing.

The marketplace will certainly judge who will be picking up on the investment. I say to the hon. member that all indications we have received so far from the industry have been very positive.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, so they do not know. Let me try again: Between 1980 and 1990 foreign controlled companies operating in Canada removed over $25 billion from this country, including nearly $8 billion in dividends alone.

Again my question is for the Acting Prime Minister, and you have come up in the world. Does the government have an estimate of how much more capital foreign controlled companies will bleed from Canada as a result of this retreat, this capitulation, this abandonment of the Canadian national interest in Canada's energy industry?

• (1440)

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I want to thank my hon. colleague for giving me a new position within government.

I want to say to him that it puts the industry on a level playing field. I also want to offer the hon. member the opportunity for a full briefing when the minister gets back tomorrow. I know once he receives that briefing he will certainly be applauding the move by the government.

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister for International Trade. In Mexico, the minimum wage as guaranteed by the government is $5.50 per day for skilled workers and $4.65 per day for unskilled workers. In Canada, the rate guaranteed by the government is about $4 per hour. In the light of these figures, could the minister inform the House whether a study has been made to determine the impact of such an agreement on Canada's textile and clothing industry? If so, is he prepared to release this study?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my friend is referring to one aspect of the nature of competition between Mexico and Canada. What he must draw into his understanding of this is the amount of turnover in labour, which is considerably greater in Mexico than in Canada; the ability of Mexican workers to receive training; the sophisticated nature of the training that is required with some of the products we are selling; the nature of quality in the operations; and the transportation distances between Canada and Mexico. The range of other issues that relate to the total level of competitiveness is much, much more than simply the difference in wage rates.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I have a supplementary question for the same minister.

The Canadian textile institute says that the U.S. is using the NAFTA to renegotiate the rules of origin in the Canada-U.S. trade deal, which would reduce our industry access to the U.S. markets.

Given the U.S. trade harassment, what formal compensation will the Canadian government offer to the textile industry which has already lost over 20,000 jobs since 1988?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me agree with my hon. friend and the Canadian textile institute. The position of the United States and Mexico that is on the table now is one that we fundamentally disagree with. We have made that very

clear to them and told them it is unacceptable. Those negotiations are continuing.

As far as my hon. friend is concerned, he neglects to say that a number of apparel manufacturers have been successful in finding niche markets in the United States, selling their great capacity to develop fashions that are attractive to purchasers, and have considerably increased their business in the United States since the free trade agreement came in. That is one of the real success stories we have had.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is also for the Minister for International Trade.

Given that the U.S. has continued to use its trade remedy laws to challenge our regional development programs despite the existence of the Canada–U.S. Free Trade Agreement, will the minister assure this House that nothing in the NAFTA will be allowed to erode further Canada's ability to deliver regional development assistance?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, this is a matter which we have been negotiating in the Uruguay round negotiations in Geneva. If my hon. friend looks at the results of the negotiations at this point, in the Dunkel text of December 20, he will see that regional development support is fully protected. It is fully allowed for in the subsidies code that has been developed. There are other elements of the subsidies code that are a great step forward as far as Canada is concerned compared to what we have today.

I think my hon. friend will be quite happy with what has been achieved there.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my supplementary question is for the same minister.

Atlantic Canada depends critically on government support for its transportation infrastructure in order to compete in central Canadian and in U.S. markets. Yet this government has undermined our port facilities, shut down VIA Rail service, eliminated At and East subsidy payments, denied support for highway improvement, and is now allowing CN to sell off its rail line from Sydney to Truro, Nova Scotia to U.S. buyers. The NAFTA draft text puts all land transportation on the table. Why is the minister allowing the further erosion of our transportation network through these trade talks?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is again misreading the text that was leaked to *The Toronto Star* and I would be happy to take him through it.

Unfortunately his party did not accept our offer to be briefed on the text, but if my friend wants to reconsider, I would be happy to take him through it.

What we are trying to achieve with the NAFTA negotiations is the capacity of truckers to take products from Canada, go through the United States, pick up products in the United States so they have a full load, and carry those into Mexico. Surely that will improve the efficiency of the Canadian trucking system so that it can take advantage of the increase in trade that is going to occur as a result of the NAFTA negotiations.

This is a way we can help the industry, not as my friend suggests hurt it.

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I have a question for the Minister of the Environment.

Yesterday in *The Toronto Star* it was claimed that there is no protection in the draft North American free trade agreement for the environment.

Would the minister advise Canadians why it is inappropriate to have such standards in a trade agreement and what he is doing to ensure that Canadians can compete on an environmentally sustainable and level playing field with Mexicans and Americans?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, in the context of the NAFTA negotiations, the environment is dealt with in four areas.

First of all in the context of the trade negotiations themselves, the standards are dealt with in Part B of the negotiations, if I remember correctly, and that is one of the areas where we are dealing with environmental issues.

The other area is negotiations between Canada, Mexico and the United States on an environmental agreement.

We have also named environmentalists to the different consultative groups that we have assisting the government in the conducting of the negotiations.

Finally, the Government of Canada will be doing an environmental assessment of the potential trade agreement as it comes forward. That is why you will not find, as indicated by the member, something precise on the environment in the draft agreement. It is being dealt with in parallel with the trade negotiations.

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ESTABLISHED PROGRAMS FINANCING

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, my question is for the Minister of National Health and Welfare.

In the last three years the federal government's share of funding for medicare and post-secondary education in this country has fallen from 37 per cent to 31 per cent of the cost of those programs. That represents a loss of some $9 billion to the provinces in this fiscal year, and nearly $41 billion over the last 10 years.

In light of that tremendous cutback in the share of funding from the federal government, I want this minister to explain to the House today how the provinces, when they bring in their budgets in the next few weeks, particularly the have-not provinces in Atlantic Canada, Manitoba, and Saskatchewan, will be able to protect medical care, keep it universal and keep it accessible to people in this country without deterrent fees according to the guarantees in the Canada Health Act.

How can they do that in light of these callous cutbacks in the share of funding from the federal Government of Canada? Explain that one. Cut out all the nonsense you told us before and tell us the real facts.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, as we have already said, when he says there are cuts in the transfers, we still give more money today to the provinces than we did before.

The member should know that the ministers of health in all provinces of Canada agree that the question of the health care system is not a money problem. He should know that even in Saskatchewan at the last meeting of ministers of health everybody agreed that we have enough money in the system.

It is a question of management. It is a question of system ability, flexibility. We are working on that with the ministers of health, including the minister of Saskatchewan, or any other province of the country.

Once again I repeat what I said last week. Medicare should remain what it is and we will do what should be done for that.

Having said that once again, we will work with the provinces to keep the system and again it is not a question of resources.

• (1450)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this government has hammered Ontario especially hard. It has forced an increase in the provincial debt by $11 billion.

Does this government realize that it takes $16 billion more each year from Ontario than it spends in that province? Does it understand that it cannot milk Ontario in that way and then turn around and treat Ontario unfairly by taking money from it for the Canada Assistance Program? Will it give money to the poor people of Ontario so that they can get through this recession?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the facts belie the accusations that my hon. friend makes. I want to remind the House that between 1984-85 and 1992-93, the fiscal year we are just about to enter, the increase of federal transfers per year, on average, have been 6.2 per cent. That compares with 5 per cent across the country. Ontario has been getting an increase. That is the first point that should be made.

Second, the Ontario government, over the past number of years, has increased its spending over 10 per cent per year on average. The NDP government is carrying right on, like the Liberals did, in spending over 10 per cent more per year where other provinces and the

federal government have kept their spending down over this difficult period of time.

So this song that Bob Rae is singing, to my way of thinking, is just setting up the people for a very tough budget that he has to bring in. All of a sudden he has to face reality.

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to follow up on the question the hon. member has just asked.

Last night Bob Rae called the federal government an absconding debtor and said that the Government of Ontario had been short-changed by $13 billion over the last few years. I want to know if Premier Bob Rae is right in what he is saying? How can we have two different black and white versions of the same story?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, as I pointed out before, the average growth of transfers to the provincial government of Ontario has been 6.2 per cent compared to an average of about 5 per cent.

First of all, the figures that Mr. Rae produced were inaccurate in that he did not take into account some $12 billion in tax point transfers when he was adding it up. He made a slight error of some $12 billion in tax points and $2 billion in cash transfers. There is quite a discrepancy in the amount of money that Mr. Rae has been talking about. I can tell the hon. member that Ontario has been treated fairly in this.

I am interested in the NDP which says that we should be running an account book confederation here. I believe over the years that Ontario has and continues to pay more than its share to help less populated, less industrialized parts of this country. I believe that is our role in Ontario and it should continue.

* * *

[*Translation*]

MCDONALD COMMISSION

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is for the Solicitor General.

Yesterday after Question Period the minister said that he would consult his officials to determine whether or not he would make public the seven chapters missing from the McDonald report.

Can the minister tell us now, today, whether his decision has been made and if he will finally provide a full explanation for the illegal acts that were investigated by the McDonald commission?

[*English*]

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I have had an opportunity to review exactly how many chapters have not been released. I believe, after looking into the matter, that we are now talking about two chapters, chapters 7 and 10. At the present time we are going through the chapters and considering just when it would be appropriate to release them.

The reason I say that, Mr. Speaker, is that the commission when it brought down its report made this comment: "Our recommendation is that out of regard for the public interest in doing everything that is possible to ensure that members of the RCMP and others receive fair trials, our report as to these situations ought not to be made public either until the appropriate prosecutorial authority has decided not to prosecute, or has decided to prosecute and the judicial proceedings have finally been concluded".

[*Translation*]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, we know that the charges then pending have now been dealt with by the courts, as far back as last fall. So what is now keeping the department from making those chapters public? I do not understand and the public may wonder whether some people are being protected by this secrecy. I believe it would be very important for the government and I ask the minister: Is it not in the public interest now to remove all suspicion concerning the judicial process and the administration of justice and to release those documents?

[*English*]

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I agree with my hon. friend that the public interest has to be served and we fully intend to do that.

At the present time we are considering the matter and we will be consulting with the Attorney General of Quebec.

AUTO INDUSTRY

Mr. Jim Peterson (Willowdale): Mr. Speaker, the Japanese, European and Korean auto makers now enjoy 37 per cent of Canada's market but account for only 3 per cent of Canadian auto jobs.

My question is for the Minister for International Trade. What precise measures will he insist on in order to ensure our auto workers their fair share of North American jobs?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I dealt with the Japanese and the Korean auto manufacturers which have the lion's share of that market share he refers to, and have discussed ways in which they can increase their manufacturing or their use of parts suppliers here in Canada.

That is one of our objectives in the North American free trade negotiations, to see whether there are ways that we can encourage a greater amount of investment or use of parts suppliers in Canada. Certainly we do not want to do anything in the NAFTA that would discourage that.

Mr. Jim Peterson (Willowdale): That is hopeful, Mr. Speaker.

This government's free trade agreement wiped out the auto pact safeguards that protected Canadian auto jobs. Now, under the free trade agreement, the big three will no longer need one Canadian auto job but will still be able to sell into Canada duty free.

Why will the minister not insist on Canadian content rules that will restore the auto pact safeguards for Canadian jobs and undo the harm caused by his free trade agreement?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): I do not want to get into a debate with my hon. friend. But he knows that we did not change the safeguards.

What we still do have in place, which is very very important—

Mr. Peterson: You wiped them out.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, we did not wipe them out. What we do have and what is very important as far as the auto pact members are concerned is the duty free import opportunity, if they maintain their auto pact status. That, we have been told by the big three companies and other members of the auto pact, is extremely important to them. We are certainly making sure that this is a part of our negotiating stance in the North American free trade negotiations.

* * *

EXTERNAL AFFAIRS

Mr. George S. Rideout (Moncton): Mr. Speaker, my question is directed to the Acting Prime Minister.

Two Canadians, David Spencer and Christine Lamont, are still in Brazilian prisons while the Secretary of State for External Affairs dithers. A Roman Catholic Archbishop of Brazil has written the Prime Minister petitioning him to intervene and ask the Brazilian government to expel David Spencer and Christine Lamont.

A legal opinion prepared by Brazilian lawyers hired by the Department of External Affairs says there is nothing to prevent Canada from asking for their expulsion.

Will the minister please explain why she will not make a formal request of the Government of Brazil for their expulsion?

• (1500)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, in the absence of the Secretary of State for External Affairs, let me say that the department did not request a legal opinion, as has been reported.

I appreciate the hon. member is working off press reports. The review of the case is continuing, and it includes consideration of the Brazilian process regarding expulsion. The Secretary of State for External Affairs has not made a decision yet.

Mr. George S. Rideout (Moncton): Mr. Speaker, on a supplementary, the Brazilian government two months ago said that it would be willing to comply with a Canadian request to expel. The minister promised an answer in February, and now we are near the end of March. Even the Prime Minister has promised to respond to the Cardinal's letter and investigate the situation.

Whoever initiated the legal opinion, and there is some question with respect to that, one thing is for sure. Brazilian lawyers are saying that there is nothing wrong with proceeding with the expulsion. In my view, the minister's failure to act borders on negligence. Will the minister make a formal request today?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the Secretary of State for External Affairs has completed a preliminary review of the situation.

She has been looking at the legal aspects of the case, and is awaiting further clarification from her legal adviser. We are very much aware of the position of the Archbishop on this. No decision has been taken pending completion of a legal review by the minister.

* * *

WATER EXPORTS

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of the Environment. We learned yesterday that the minister has been unable to get the support of cabinet to proceed with a water export bill to prohibit large scale export of water from Canada.

We also learned yesterday from the text of the Canada–U.S.–Mexico trade agreement that article 1401 would approve non–energy pipelines and article 1404 would restrict cross–border limitations on such pipelines.

Can the minister explain how he can continue to sit in a cabinet that simply views Canada's water as a commodity, or does he expect Canadians to believe that these non–energy pipelines are to take B.C. wine to California or Canadian milk to New York City?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, on the water export bill, I do not know, frankly, where the hon. member is coming from on that issue.

He alludes to events, speculations or discussions that to my knowledge have not occurred. On the trade deal with Mexico, I think the hon. member should know as I have indicated before in this House that there will be an environmental assessment of the trade deal, which is a precedent in itself. The government has committed itself to doing environmental assessments of its policies. We intend to pursue this matter. That is something that the hon. member should congratulate us for.

I am sorry that he is off–side. He reminds me of other members in this House who, from time to time, are not very consistent in their views.

Point of Order

[*Translation*]

I am thinking, for example, of the hon. member for Lac–Saint–Jean, whom I am pleased to welcome to the House. I hope that he will take the opportunity, Mr. Speaker, to speak on Bill C–13. The hon. member for Shefford may want to talk to him about that.

* * *

[*English*]

TABLING OF CORRESPONDENCE

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I did refer to correspondence in the House today and read from it. In response to a request from the member for Ottawa—Vanier, I would be pleased to table that correspondence.

* * *

POINT OF ORDER

COMMENTS OF MEMBER FOR CARIBOO–CHILCOTIN

Mr. Dave Worthy (Cariboo–Chilcotin): Mr. Speaker, I rise in response to a point of order made by the member for Skeena.

On March 13 I made a statement in the House in regard to the Share groups of British Columbia. In that statement, I expressed a lot of their anger, their outrage and what they felt was a betrayal. It was interpreted by the member for Skeena as a personal attack.

When I read in Beauchesne's about members' statements, it does say, and I quote: "The Speaker has said that these statements ought not to be used to make personal attacks".

Although I intended my statement more as a defence of the Share groups, I must admit on re–reading it that it can be interpreted as a personal attack. As such, I would say to both the member for Skeena and the member from Port Alberni, and in fact to all members of the House, that I should not have made a statement in the House that did appear as a personal attack on other members.

I should have sought and I will seek other ways to deal with this very important matter.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

TAX BENEFITS

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, I am pleased to present two petitions today from constituents in Wild Rose. They would like the government to provide more tax benefits to families with children. These petitions were sent to me in 1991 and the recommendations have already been addressed in the 1992 budget.

REFUGEES

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I have three petitions from residents in the metropolitan Toronto area, Quebec, Manitoba, and right across Canada. All three of them urge the minister of immigration to issue minister's permits for spouses and dependent children of refugee claimants as soon as the refugee claimant has been accepted for landing in Canada.

JUSTICE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I have here over 150 petitions with quite a few thousand signatures and these are to add to the now over 350,000 signatures which I have personally presented in the House and the thousands that have been presented by other members of Parliament. This is in support of the petition of the parents of Nina de Villiers.

These petitioners feel that there are serious deficiencies in the criminal justice system in Canada. They would like Parliament to recognize that crimes of violence against a person are serious and abhorrent to society. They ask this government to amend the Criminal Code of Canada, the Bail Reform Act of 1972 and to further reform the Parole Act.

UKRAINE

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have two petitions here today. One is on behalf of petitioners who endorse the independence of Ukraine, something that happened some time ago. They add now that it has perhaps been achieved under the Commonwealth of Independent States to a certain degree, but it may also be a subtle disguise for another form of oppression and they want to point that out. They also remind Canadians that Ukraine is in dire need of Canadian assistance at this particular point in time.

[*Translation*]

ACCESS TO EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my second petition concerns education. The petitioners say that the economy is going global and that Canada's economy is changing all the time. They also express their dislike for the service charges on student loans and note that the GST applies to them. They mention as well that $450 million was cut last year and $250 million will be cut this year. The petitioners submit that education is a right and that an educated population can make a positive contribution to Canada's economic and social development.

[*English*]

JUSTICE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition signed by numerous residents of Kingston, Sydenham, Elginburg and other parts in between the three communities. These petitioners humbly pray and call upon Parliament to recognize that crimes of violence against the person are serious and abhorrent in our society and to make amendments to the Criminal Code, the Bail Reform Act and the Parole Act to indicate society's abhorrence and the degree of seriousness with which members of the public regard these crimes.

• (1510)

NARCOTICS CONTROL ACT

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to raise a number of petitions signed by constituents of my riding of York West. They are essentially requesting that this government amend the Narcotics Control Act so as to ensure that local organizations and police forces will be able to share in the drug seizures that are made as opposed to having all assets going to general revenue funds in Ottawa to the Government of Canada.

It is a very important matter which I hope the Solicitor General will respond in kind in very short order.

JAMES BAY II

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to rise and present seven petitions containing about 200 names recognizing that the James Bay II project, if carried out as presently planned, will cause serious damage to the environment and to the lifestyle of the Cree people of northern Quebec.

They call upon Parliament to ensure that a full federal environmental assessment of the proposed James Bay II project is carried out on all aspects under federal jurisdiction.

UKRAINE

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I too am pleased to rise today pursuant to Standing Order 36 to present a petition on behalf of many of the Ukrainian people in Thunder Bay, Nipigon and other parts of this country.

They ask simply that now that Ukraine has been recognized by our government, that this government continue to show its usual empathy, good judgment and kindness toward the people of Ukraine as they struggle on their road to independence.

COMMUNICATIONS

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is my pleasure to stand, pursuant to Standing Order 36, and present petitions from a number of constituents from Osoyoos, Okanagan Falls, Oliver, Penticton, Summerland and other places within the riding of Okanagan—Similkameen—Merritt with respect to Unitel's bid to integrate with the development of an over-all Canadian telecommunications policy.

They are urging the Minister of Communications to oppose Unitel's bid to compete with Canada's telephone companies on long distance service. They urge the Minister of Communications to consult with all affected parties, specifically those citizens living outside Canada's urban areas who will be impacted severely by deregulation. They further urge the Minister of Communications to hold local hearings in our communities before deciding the fate of Canada's telecommunications system.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition today on behalf of a number of constituents who are concerned about the diversion of water from British Columbia into the United States and northern Mexico, particularly in light of the proposal in the free trade agreement with Mexico and the United States that considers pipelines to be part of the approved transportation system.

UNEMPLOYMENT INSURANCE ACT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have another petition where the petitioners point out that railway employees suspended for accidental violation of the Canadian rail operating rules are being unjustly penalized under sections 28 and 30 of the Unemployment Insurance Act. They are asking Parliament to take immediate steps to simply specify that accidental violation of the rules does not constitute employee misconduct under these sections of the UI Act.

REFUGEES

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I have a petition from a number of residents in several towns in Ontario who are concerned about the families of people who have been accepted in Canada as refugees but who are not yet landed. They urge the House to call upon the minister of immigration to issue minister's permits for spouses and dependent children of refugee claimants who have been permitted to apply for landing from within Canada, including persons in the backlog and persons accepted under the new legislation and to allow them to be reunited in Canada for inland processing.

* * *

STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, would you be so kind as to call Starred Question No. 96. Due to the length of the answer, I ask that it be printed in *Hansard* as if read.

[*Text*]

*Question No. 96—**Mr. Riis:**

Since January 1, 1989, has the government printed any material in connection with overseas trips by the Prime Minister and, if so, (*a*) for which trips (*b*) what material was printed (*c*) in what quantities (*d*) at what cost?

Hon. Leonard Gustafson (Parliamentary Secretary to Prime Minister): Since January 1, 1989, media briefing material has been produced in support of the Prime Minister's overseas travel. Bellow is a list identifying each trip for which briefing material was produced, the nature of the material, the quantities printed and costs.

This briefing material is widely distributed to journalists, academics and overseas diplomatic missions to reflect Canada's foreign policy positions in these countries and at summit meetings.

MEDIA BRIEFING MATERIAL PRODUCED FOR THE PRIME MINISTER'S OVERSEAS TRIPS

Date	Trip	Material Printed	Quantity	Cost
May 24–26/89	The Dakar Summit, Dakar, Senegal	Media Kit (Background Paper, Booklets, Vinyl, Pouch, Maps)	1,900	18,743.29
Ju.ly 14–16/89	the Summit of the Arch, Paris	Media Book	1,900	19,549.09
Oct. 18–24/89	Commonwealth Heads of Gov't Meeting, Kuala Lumpur, Malaysia	Media Briefing Kit (Book, Fact Sheets, Kit Folder)	2,800	35,560.23
Nov. 20–25/89	Visit to the U.S.S.R.	Media Briefing Kit (Book, Fact Sheets, Kit Folder)	2,000	17,392.75
March 15–17/90	Visit to Mexico	Briefing Book	2,000	4,961.11
March 18–20/90	Canada – Commonwealth Caribbean Head of Government Meeting, Bridgetown, Barbados	Media Kit (Fact Sheets, Kit Folder)	2,000	4,529.90
July 9–11/90	The Houston Economic Summit, Houston, Texas	Media Kit (Book, Fact Sheets, Kit Folder)	2,000	30.468.84
Nov. 18–23/90	Visit to France, the Holy See and Italy	Briefing Book	1,900	7,921.23
Nov. 19–21/90	Conference on Security and Co-operation in Europe, Paris Summit	Media Kit (Fact Sheets, Kit Folder)	2,000	7,445.20
May 22–31/91	Visit to Hong Kong and Japan	Briefing Book	1,825	6,703.06
June 13–16/91	Visit to the Federal Republic of Germany	Briefing Book	1,520	3,939.49
July 10–13/91	Visit to Ireland	Briefing Book	1,500	5,041.41
July 15–17/91	The London Economic Summit	Media Kit (Book, Fact Sheets, Kit Folder)	2,000	32,935.94
Oct. 16–22/91	Commonwealth Heads of Gov't Meeting Harare, Zimbabwe	Media Kit (Book, Fact Sheets, Kit Folder)	1,600	27,915.00

Date	Trip	Material Printed	Quantity	Cost
Nov. 7–8/91	NATO Summit, Rome	Media Kit (Fact Sheets, Kit Folder)	1,900	7,468.00
Nov. 18/91	Visit to France	Briefing Book	985	4,140.00
Nov. 19–21/91	The Chaillot Summit, Paris, France	Media Kit (Book, Fact Sheets)	1,200	19,602.00

* * *

[*English*]

QUESTION PASSED AS ORDERS FOR RETURN

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 216 could be made an Order for Return, the return would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that Question No. 216 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

Question No. 216—**Ms. Phinney:**

What are the guidelines set by the government for the civil service and those companies doing business with the government regarding the employment of disabled persons?

Return tabled.

[*English*]

The Acting Speaker (Mr. Paproski): Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

[*Translation*]

Mrs. Venne: Mr. Speaker, I would like to know, under notices of motions for the production of papers, if my notice P–13 will be answered by the government soon. It is a request to produce the contracts awarded to Burson–Marsteller by the Royal Commission on New Reproductive Technologies.

When can I have an answer from the government?

[*English*]

The Acting Speaker (Mr. Paproski): I am sure the hon. Parliamentary Secretary to the Government House Leader has an answer for you.

Mr. Cooper: Mr. Speaker, I am not sure, but I will check.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992–93

MEASURE TO ENACT

The House resumed from Monday, March 23, consideration of the motion of Mr. Mazankowski that Bill C–61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, be read the third time and passed.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I am happy to have an opportunity to speak on this bill, an act to provide borrowing authority for the fiscal year commencing on April 1. Really, this is a bill that gives us an opportunity to talk about the economy of this country. We know that the bill before us today will

pass without much difficulty. We at least have an opportunity to put on the record some of our concerns. We have an opportunity to put on the record some of the things our constituents are saying to us when we go back to our ridings or as we travel in other parts of the country.

The number one preoccupation today in this country is how we are going to get the 1.5 million people off unemployment insurance and back to work and how we are going to create jobs for the two million people who are on welfare, additional to the 1.5 million unemployed, so that they too can come back into the work force.

The one thing that has disturbed me about this government's economic thrust—

An hon. member: Just one thing?

Mr. Mills: There are many things, but the one thing in particular in relation to job creation is that it did not come up with one single package in this last budget that is a direct employment program.

• (1520)

I refer specifically to the budget of 1981–1982, a time when we had a similar recession, though it certainly was not as deep as the current recession. During that time we believed it would be a much better approach to put money into capital works projects, infrastructure projects. Therefore we did so right across the country.

Even though it did not solve all of the problems of unemployment, it at least was an effort by the government to deal in hope. We fast tracked proposals for new airports. In Atlantic Canada we funded all kinds of new wharfs and other essential services. We took advantage of a downturn in the economy to put together a package to resolve those infrastructure problems.

This government has refused to put any money into capital works projects. It is always saying that the Liberals just want to increase the deficit and ignore the debt of this nation.

This is an argument which I really have a difficult time in understanding. It is costing the Treasury of Canada today close to $35 billion a year to cover the cost of unemployment insurance and all the welfare payments. Of course, welfare payments are handled by municipalities but most of that money comes to the provinces and ultimately to municipalities from fiscal transfers.

This is a situation in which we are not using our creativity. For another $2 or $3 billion, in addition to the amount we are already spending, we could create ideas to put people back to work. I have mentioned before in this House the program in place in 1980–81 under the then Minister of Employment and Immigration, the Hon. Lloyd Axworthy. It was called the NEED program. Under the NEED program we went to the private sector and said: "If you will take someone off unemployment insurance or welfare and put them on your payroll, put them to work, and train them, even though this is a tough time for the economy, we will subsidize a portion of that person's wage". We gave close to 80 per cent for the first six months, then for the next three months it dropped to about 50 per cent and for the last part of the year it dropped to about 20 per cent.

That was a much more productive use of taxpayer's dollars. Rather than have people sit at home and feel totally discouraged we gave the entrepreneurs of this country an incentive to take someone and put them on their payroll. It could have been in a factory, in training, in an office position, or in marketing. It absolutely amazes me—this government is always talking about free enterprise. It says: "Let the market forces go their way".

There are 1,700,000 entrepreneurs in this country. Many of them are going through a period of doubt, not only because the economy is in rough shape in our country but because it is in rough shape in many parts of the world. The responsibility of those of us in this Chamber who are focused on the economy is to try to provide some leadership, ideas, and stimulus to activate those 1,700,000 entrepreneurs. If half of those entrepreneurs in Canada hired one person within a period of 30 to 60 days we could take nearly one million people off the unemployment insurance rolls.

It seems to me that it would be a much more productive use of taxpayers' dollars to give that money to entrepreneurs and assist them in training someone or putting someone back to work. I have said in this House repeatedly in the last two months, especially since the budget, that I cannot understand why this Conservative government will not take a chance on the entrepreneurs of this country. The entrepreneurs are the greatest hope for new job creation in this country. However, they are hearing and feeling signals of doubt not only about our economy but the economy of the United States and

other parts of the world. We need to give them a little spark in order to get them going.

That would be much more productive than just saying: "No, we are not going to do anything. We are holding the course. We are not going to create any new special programs".

The irony of ironies is that at the end of the year, by the time we add in the interest, we are talking about a $35 billion cost.

As we discuss this borrowing bill today it frustrates me to think that we are borrowing $35 billion. That is what this bill is all about, the government wants borrowing authority for close to $35 billion. It drives me a little nuts that we are passing a bill to approve $35 billion for unemployment insurance and welfare payments, from which there is very little return for the taxpayers of Canada.

I would much rather give the authority to the government today for an extra $2 or $3 billion to ignite the entrepreneurship of this country and help to figure out a way to get people back to work. Let us take a chance on the entrepreneurship of this country.

There was a delegation from the north here this morning. Everybody is wearing "Save the North" buttons around today. One gentleman who had lunch with us told us that this year they will not be able to plant approximately 42 million trees for commercial purposes because they cannot, they do not have the funds or they do not have a program to plant these 42 million trees.

My small mind cannot understand that. There are a million and a half people unemployed and another two million people on welfare, and the north is crying out for help. If all of a sudden, seven or eight years from now, we have a shortage of lumber in this country it will send the cost of our housing and other related services sky-rocketing. I just cannot understand it.

If ever there was a time to support a community like the north, especially in an area like forestry, this is it. When there are such large numbers of unemployed we should be planting trees in this country until we are blue in the face. That is not to mention all the environmental aspects. This is a nation that prides itself on leading the way in the environmental movement, a nation whose government came out three years ago with its green plan. I cannot believe that the officials in the Department of the Environment cannot figure out a way to combine with their green plan the fact that there is a shortage of manpower to plant 42 million trees and yet we are paying $35 billion for people who cannot find work.

We have to get back to basics in this country. We have to start using our creativity again.

• (1530)

If our industrial capacity is going through a rough period because of global markets we will have to shift our focus and emphasis to some other area.

I just cannot understand what is wrong with shifting our energy, our focus, into something like forestry, or toward supporting the north.

It is interesting that the delegation that came here today from Sault Ste. Marie, Timmins, and other places in the north told us that they cannot get any attention from the national media for the problems they are having in northern Ontario. They send briefing documents. They send notes. They come to Ottawa and have a good reception, but they cannot get any attention from the national media.

That is a crime. The resources of the north are important not just to our province of Ontario but to every province in this country. For years and years the economies of the north were integral to the standard of life that we enjoy in this country. Our resources in this country have been the cornerstone of our economic plan and have led us into all kinds of new fields in manufacturing and new technologies and everything else.

It is very strange that we cannot give our northern friends, who are in such deep pain right now, the time, the energy, the profile, and the focus to address some of their specific problems.

I was talking to one of my colleagues at lunch today, our Ontario caucus chairman from London, about the difficulty of bringing attention to the north. I said that we should take a page out of the book of the members from Atlantic Canada. Whenever there is a problem in Atlantic Canada there are emergency debates in this House and the best speakers in this House get up and they make sure everybody participates. I applaud the members from Atlantic Canada. Those of us in central Canada must take a page out of their book and start to speak a little more forcefully around here to bring attention to some of the problems in northern Ontario.

I want to repeat that the government is asking for the authority to spend a lot of money here today. If I understand this bill correctly the borrowing authority confirmed by subsection 1 is increased by an amount equal to the lesser of $3.9 billion. I think it is somewhere in the neighbourhood of $25 billion. That is a lot of money.

As I said earlier, the government will obviously push this bill through the House in short order. However I wish it would look for other ways to spend this money. Naturally we have a social net in this country, which we all support, for people without jobs or those on welfare. However the government should be reviewing the NEED program. I have said it a half dozen times in this House since mid-January that the NEED program of 1981-82, which Lloyd Axworthy introduced in this House, worked. No one has ever said anything different in this House. We must use the 1.7 million entrepreneurs. They are our greatest hope for creating new jobs in this country.

There is another question I want to challenge the government on. We are heading into the tax season. This government must go back to the drawing board on its tax system. That is another reason small and medium-sized business are not taking the chance any more. They feel so frustrated and burdened by the tax designs in this country. We all know that we have to pay taxes. We are not saying we should not pay taxes, but the tax designs of this country are close to 15,000 pages of unfairness and inefficiency and are just not working.

Mr. Comuzzi: Who understands them?

Mr. Mills: Who understands them is right, as my colleague from Thunder Bay has just said. Even the best lawyers and the best tax accountants are now admitting, some of them even publicly, that the tax designs of this country need radical reform.

It is no secret to anyone in this House. I am so excited to see Governor Jerry Brown still campaigning in the Democratic convention with his 13 per cent single tax. Somebody asked me the other day: "How come Jerry Brown's tax rate is 13 per cent and your idea of the single tax is 20 per cent?" I said: "Naturally, they do not have medicare in the United States, but if Jerry Brown added medicare to his plan, his single tax idea would be up around 18 or 19 per cent".

The idea is starting to catch on in the United States. I dare say that is one of the main reasons he is still in the campaign. People are crying out for radical tax reform not only in Canada, but also in the United States. My goodness, God forbid should he ever win the Democratic nomination and people get to understand what the 13 per cent single tax is all about.

If that system ever became a part of the United States, we would have to harmonize. It would be the first time in our lives we would ever want to harmonize with the United States because if we did not follow their radical reform or their clean up of the tax system, I can tell you there would be a flight of capital out of this place overnight.

That is another area where this government instead of following should be leading. It should be pre-empting. This is what Canadians want.

When the government comes to the House today asking for borrowing authority for close to $25 billion, you would like to ask: "What are you going to do with that $25 billion?" You probably would not mind approving that $25 billion or even $30 billion if you thought that it was going to make a difference somehow with the direction the economy was going.

You would not mind approving maybe even more than that if you thought it was going to ignite the economy, if it was going to activate the 1.7 million entrepreneurs in this country to take a chance on a fellow Canadian and put them back to work. You would not mind, but I just do not get a sense from what I have listened to since the budget that there are any new initiatives coming forward.

So regretfully, we will be signing off here on close to $30 billion and the status quo will continue.

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BUSINESS OF THE HOUSE

Mr. Andre: I would like to designate tomorrow the final allotted day of this supply period.

* * *

BORROWING AUTHORITY ACT, 1992-93

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, be read the third time and passed.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I want to compliment my colleague from Broadview—Greenwood on the eloquence and the substance of the comments he has just made with respect to the bill that is before the House this afternoon.

I also want to thank him very much on behalf of those of us who represent rural ridings and northern ridings. I want to thank him for the kindness and the empathy and the total understanding that he has and realizes about the particular problems we face, not only in northern Ontario but also in the smaller areas throughout this country.

Those smaller areas seem to be suffering more from the dilemma that this economy finds itself in as a result of the moves and the type of government that is being shown by those on the other side of the House. So I want to thank my colleague from Broadview—Greenwood.

• (1540)

I would also like to make a comment. It was I who mentioned to the member for Broadview—Greenwood in the last week that his single tax proposal was remarkably similar to the tax proposal that is being put forward by one of the aspirants for the Democratic presidential nomination in the United States, former Governor Jerry Brown. Our colleagues seemed to have met or you would anticipate that they have met on several occasions because of the remarkable similarity between the tax that he thinks is necessary for the United States and the single tax that my colleague has been such a strong proponent of not only on this side of the House but also in the fine work that he does both in and outside of this country.

I have just one more comment before I get to my question to my colleague. It is interesting when meeting through different parliamentary groups, as we will be meeting next week with the Canada–United States interparliamentary group, and talking with senators and congressmen from the United States, they seem to say in unison that there is a need for a complete overhaul in the tax system to get any degree of fairness.

That is the case when a tax system gets so complicated that no one understands the context and the books as we have here in Canada today. The tax system gets so complicated that the average person can no longer comprehend what he is doing with respect to taxation. He has to run to a tax expert in order to even complete his tax forms. That is remarkably similar to the situation that exists in the United States. I just wanted to pass those comments to my colleague from Broadview—Greenwood.

The hon. member was at the same meeting that I attended this morning as were my colleagues here to my left, who are supposed to be proponents of strict environmental laws. I just found out this morning that the Ontario provincial government has reduced reforestation in Ontario by 42 per cent. Yesterday it closed a tree nursery in Thunder Bay.

Forestry is the largest single industry in our country and this government has decided not to contribute to all the provinces in any degree for reforestation. I would like my colleague to comment on that matter.

Mr. Mills: Mr. Speaker, I thank my colleague for his kind remarks.

I will deal specifically with the province of Ontario's attitude towards forestry. During the period leading up to the last provincial election, the premier of Ontario, who was then a member of the opposition, and I am talking about Bob Rae, you would have thought that this man had nothing else on his mind but the environment. He practically spent every second weekend in Temagami. He was going to be the man on the environment in the province of Ontario. They nicknamed him Temagami Bob. It was an incredible thing. In fact, one time he even got arrested by the police because of his passion for the environment.

What really bugs me is that in the province of Ontario we have so many people out of work, so many people on unemployment, so many people on welfare. There is also the desperate need to do things in the north, like plant trees, reforestation, et cetera. He would much rather pay people to sit at home. I do not buy it. I do not go along with it.

When people are crying out for help, when people want their dignity back, when they would rather go out and plant trees all day than sit at home and watch videos, I cannot understand why Bob Rae does not get back to where he was before he became premier. I challenge him to live up to some of the remarks he made before he was elected premier, when he said he was going to be creative in his process of governing. So far it has just been more of the *status quo*.

I have always liked Bob Rae. He used to be the federal member of Parliament for my riding. It is nothing personal against him, but I think he needs a little shake right now to get back to basics.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, on the borrowing authority, I would like to point out one program as an illustration of what I think is a serious error the government has made.

The error is in the lighthouse destaffing program on the west coast in which it felt that by destaffing lighthouses a substantial amount of money would be saved. Either yesterday or today, the government announced it will not be doing that for political reasons rather than the correct reasons.

I would like to say to the previous speaker that lighthouses are a critical part of the safety network of the coast of British Columbia. Now that the government has cancelled the destaffing program it should go ahead and upgrade those as in the commitment that was made.

We need part of this borrowing authority for upgrading the search and rescue facilities, providing radios, putting ELTs back in those lighthouse stations, and guaranteeing weather reports from each of the lighthouse stations on a regular basis. Basically, a program is needed now that would begin an upgrade of those facilities so that they can, in fact, do the kinds of safety activities that are so important.

It has been almost a year now since this issue was raised and the Minister of Transport has absolutely refused to meet with the seven members of Parliament from the coast of British Columbia from Skeena to Victoria. He will not in any way discuss a matter of absolute critical safety to the people who live there. I think that issue still has to be dealt with in this House.

The cancellation of the destaffing program in the lighthouses is a worthy move by this government and I would congratulate the involvement of a senator from the other place. It is also time to stop fooling around with this issue. It is time to get rolling and upgrade those lighthouses so they can provide the safety network the people along the coast of British Columbia can count on with some degree of certainty.

Mr. Mills: Mr. Speaker, I would like to comment on that. The member pretty well covered it. But the one little thing he did say that I do not understand is that there were seven members of Parliament on this side of the House who were all in agreement that something should happen and the minister somehow communicated that he would not see them. I find that unbelievable.

There is no steel wall here. When I am having difficulty with the office of someone on this side of the House or in any part of this House, I just get up, walk over, sit down and talk to the person. I say: "Listen, we have two ways to fix this. We can fix it properly and get on with it, otherwise we are going to start sending rockets across the floor of the House".

I believe we have to start using this House a little differently than we have in the past. It is great to put the government in a position where it should be accountable. We should use this House a little more effectively by doing deals just by walking across the floor.

Mr. Skelly (North Island—Powell River): Mr. Speaker, on a point of order.

My point of order is the absolute refusal of the minister to meet with a formal request by seven members of Parliament and the support staff.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I certainly welcome the opportunity to take part in this debate, especially today. Today the government is asking us for its usual massive amount of money so that it can borrow from the Canadian people and borrow overseas in order to carry activities forward.

• (1550)

Some of these activities are important and one does not want to stop such activities from taking place. But this debate is about the direction of government economic policy in this country. In the past 10 years we have seen the creation of a widening gap between a small and privileged elite at the top and the great majority of Canadians, those in the middle, those working Canadians, those poor Canadians.

We in this party have to stand and oppose any support for this government's economic strategy because it is leading in the direction of yet further widening those gaps between richer people and the rest of Canadians.

Let us look at simple things like the number of food banks. It is absolutely tragic that this country, which has a sense of equality, a sense of people working together, a sense of being one community, has seen over the last 10 years a massive increase in food banks.

If we take the period since 1984 under this government, food banks have increased by five times. In fact, if we take the period of this recession which this government has brought to us, food banks have increased from 161 in 1990 to 377 today. It means that over two million Canadians depend on food banks to be able to keep themselves and their families alive. That is just not right. That is not what Canada was supposed to be about when it was created, developed, expanded, it is not part of the value system of Canadians for us to see this massive increase in charity that people are having to count on.

It is wonderful that the charity is taking place, and I compliment the people who work so hard as volunteers at these food banks to at least see to it that these two million Canadians are given nourishment, are given food. But, my God, we should not in Canada in 1992 have an economy that is set up in such a totally mixed up, unfair way, that over two million Canadians have to depend on food banks.

We know that a great proportion of those people are children, and that the fact they are having to depend on food banks for their nourishment is often going to mean that they do not get as good nourishment as they should, and that their future opportunities are therefore going to be hurt.

That is what is happening at the bottom of our income scale. At the top of our income scale we are seeing rich, privileged people becoming richer and richer, more and more privileged. The sales of Mercedes are up just as the number of food banks are up.

We have one category in this world in which this country is the best.

It is not hockey, I am afraid, after the last Olympic Games. The area in which we have the highest per capita across this entire world is the number of billionaires. We have more billionaires per capita than they have in the United States, more than they have in some of the rich Arab sheikhdoms of the Middle East. We have people in this country who are incredibly wealthy. When those people get into trouble, like the Reichmanns with Olympia & York, they do not have to go to food banks. The federal Minister of Finance moves out and directly says we will support the Reichmanns.

We have a country where we have things upside down. This is a process which has been taking place in Canada for at least 12 years. It is something that did not start with this government but goes back to the previous Liberal government. That was the time at which the first big reduction in taxes for the rich and wealthy took place in the country. From a tax rate of 42 per cent the Liberals cut taxes at the top category to 34 per cent, a massive 8 per cent reduction which left the wealthy in this country with far more money in their pockets and left the deficit in this country in much worse shape.

That same Liberal government put into effect huge new limits for Registered Retirement Savings Plans, massive increases that meant that people who receive RRSP benefits could put much more into those RRSP accounts without having to pay tax on them. It was a tremendous tax loophole given by the Liberals.

The Liberals lost in 1984 and when the Conservatives came to power, they set out to prove as quickly as they could that they too were going to help the rich and powerful in this country. They set out to do so by saying the Liberals reduced the top tax rate from 42 to 34 per cent. That is not enough. They reduced it further. They took it from 34 per cent to 29 per cent.

Then they brought in perhaps one of the grossest loopholes which has ever been established and consistently defended by a government in the history of this country. That was the capital gains tax exemption put into effect for people who wanted to invest outside this country, who wanted to speculate on the stock market, who wanted to buy yachts in Florida, who wanted to buy islands in the Mediterranean. They could do so and in doing so did not have to pay a penny of tax on the first $100,000 of capital gains which they received. Not a single penny.

In my constituency there are people who work hard for the money which they receive. They pay tax, and they pay tax, and they pay more tax. But these people at the top receiving capital gains up to $100,000 a year who have not added up to $100,000 lifetime earnings do not pay a single penny on those capital gains. Who does that benefit go to?

• (1600)

We have some figures which have just come out which show for 1989 who those benefits go to. Over 60 per cent of the benefits go to those whose individual incomes are over $100,000 a year. That is .4 per cent of people who are taxpayers in this country. Sixty per cent of the benefits go to .4 per cent of the taxpayers. Something in the order of a quarter of these benefits, believe it or not, Mr. Speaker, go to people who earn as individual incomes over $250,000 per year. This is insanity.

At the same time as these benefits are being handed out, do we see increases in the proportion of Gross Domestic Product going to investment? Not at all. Investment levels in this country as a proportion of Gross Domestic Product have declined in recent years.

These handouts cannot even be defended on the basis that they encourage investment. Maybe they encourage investment in Germany. Maybe they encourage investment in the Caribbean. They do not encourage investment in this country. This past budget followed exactly the same path.

Mr. Speaker, you may have heard, you may have read the headlines which said that this past budget brought in tax reductions. We have had a fairly close look at these tax reductions. In fact what this Conservative government has done is give a little bit of a tax break with one hand and taken more in taxes from most Canadians with the other hand. It has done so by seeing to it that the deductions that people can make for their personal deduction, or their personal exemption, or for their spouses exemption, no longer increase at the rate of inflation.

As a result of that now partial deindexation, the average family this year will pay $300 to $400 extra in income tax. The consequence is that for every single income category, except one, and I will come to that in a minute, people will actually pay more income tax this year under this present Conservative budget than they paid under this past Conservative budget.

Do you know, Mr. Speaker, what the one exception is? The one exception is those whose individual incomes are over $100,000 per year. Those with an individual income over $100,000 per year will actually save on their taxes this year. They will save $125. That is not a lot but they will save money while all the rest of the income categories, the middle income categories, working Canadians, lower income Canadians, will pay more in income tax.

What is the result of these tremendous changes in the tax system?

This whole system by which the rich have been made richer and the poor and middle-income people in this country squeezed in the past 10 years has resulted in there not being enough income to cover the expenditures which the government has undertaken. A deficit has been the consequence, and it has increased dramatically.

To deal with the deficit the government has attacked not the rich people to whom it has given the benefits but the provinces. It has the provinces. It has frozen equalization payments by putting a ceiling on those equalization payments. It has frozen transfers to the provinces under the Established Programs Financing provisions. It has singled out several provinces—Ontario, British Columbia and potentially Alberta, though it has not affected Alberta yet. Ontario and B.C. have been singled out and told that even if the costs of the Canada Assistance Plan go up because of the recession and the changes in unemployment insurance which this government has introduced, the government will not provide what it has promised to provide, which is a 50 per cent share of those expenses.

What is the result? The result is catastrophic, certainly for my province. In the province of Ontario we have seen an increase in provincial debt of $11 billion due to this government's direct actions. Twenty-eight per cent of the debt of the province of Ontario is a direct result of this government's actions.

In this single year alone the provinces will lose $9.3 billion in total as a result of the various attacks on transfer programs which this government has put into effect, and $4.5 billion of that will hit the province of Ontario. It is not fair. It is not right. It does not conform to the values which Canadians have always held dear. It must change or the future unity of this country will become more and more threatened, more and more under strain and the poor and middle income people will become more and more squeezed as the years go on. We must turn this country right side up and to do that we must have real tax reform ensuring that the people who can afford to pay make a fair contribution.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I listened with great interest to my hon. friend, but I do want to correct the record a little bit about some of the things he said.

It is interesting the way we talk about what constitutes a cut. I have always had the notion that when the amount of money spent goes up it is an increase and when the amount of money spent goes down it is a decrease or cut. My hon. friend does not see it that way, nor does his premier who I sometimes have some difficulty understanding.

For example, on Monday of this week Premier Rae sent a letter to the Minister for International Trade thanking him for his tremendous co-operation and full participation in dialogue, and then on Tuesday he blasted the minister for not having any dialogue. I never know when to believe Premier Rae and when not to. I would like to bring to my hon. friend's attention that this federal government has not cut transfers to provinces.

• (1610)

In fact, they have grown by nearly $12 billion since 1984-85, over 5 per cent a year. The transfers to provinces have grown by 5 per cent a year at a time when this government has limited its own expenditure growth to 4 per cent a year. The provinces have had more money coming their way than we have spent on our own programs.

The budget of 1992 contained no measures affecting major transfers to provinces and yet it restrained spending by this government on its own programs. Indeed, the federal government has legislation before the House right now which would provide an additional $600 million in transfers to provinces like my own through equalization, which is of tremendous benefit.

It is important to recognize that federal support for major programs has been growing. It has been increasing not falling. Under the three major transfers—equalization, EPF and CAP—Ontario's payments have increased from $6.1 billion in 1984-85 to $9.9 billion in the fiscal year we are about to begin. That is an increase of 62 per cent.

When programs whose spending is in no way controlled by the Government of Canada but by the principles of provinces such as Ontario and when the provinces impose absolutely no restrictions on their own spending and the sky is the limit in terms of how deep in the taxpayers' pockets they are prepared to go then maybe that is the point at which a responsible federal government should say: "You are going to have to bring your spending into line and you are going to have to control your own spending".

I would like my hon. friend to address this issue and show us how an increase of $12 billion and an increase of 62 per cent to his own province in the three major areas constitutes a cut.

Mr. Langdon: Mr. Speaker, the member for South Shore has raised some interesting points. He says that it is hard to tell when a dialogue is taking place. First, let me deal with that. After the Monday letter that he mentioned there was a leak of the huge documentation of the North American free trade agreement. When the Government of Ontario examined that it certainly became clear that it had not been told the whole story. There had been a lot of things left out of the briefing.

Mr. Wilson (Etobicoke Centre): That is wrong.

Mr. Langdon: Ontario was given the text? Are you telling me that it was given the text?

Mr. Wilson (Etobicoke Centre): Yes.

Mr. Langdon: The text was in the hands of the province of Ontario?

Mr. Wilson (Etobicoke Centre): It had two texts.

Mr. Langdon: If the minister says that is the case I accept it. I would not question the minister's word. I will check with my colleagues in the provincial government to determine to what degree that is accurate.

However, let me return to the question of transfer payments because that is the heart of the argument here. This question is perhaps best illustrated by thinking in these terms. I have a lease for my office in my constituency under which I promise to pay an increased rent year by year. That agreement is between myself and the person who provides that constituency office. It exists over a period of years. Precisely the same kind of agreement existed between the Government of Canada and the provinces with respect to EPF, equalization, and the Canada Assistance Plan. Yet unilaterally the federal government said that it would change that agreement.

I suppose I could go to my landlord and say: "Well, I promised to pay you so much money but I'm just not going to". If I did that I would be guilty of breaking a legal contract and my landlord could take me to court and force me to pay that money.

Federal governments can get away with that kind of thing. However, it is exactly the same. The breaking of an agreement which has taken place in each of these areas has cost the governments of provinces across this country $41 billion since 1982–83.

It is not just the Conservatives who did this, the Liberals did it too. We are talking about big sums of money. In this particular year it is costing provinces across this country $9.3 billion because the federal government is not keeping the promises it made.

It is possible for the government to writhe and wriggle, but there is no way for it to say that it is meeting commitments which it made in the past because it is not. There is no way for it to challenge the numbers because they were very carefully compiled, and not by partisan people but by the non-partisan civil service of the province of Ontario.

The consequence, the direct detailed answer, can be seen in the study by the province of Ontario. It is not something from NDP research. It has come from non-partisan civil servants who have worked the numbers out and given the people of this country a very clear sense of what is taking place.

The member also suggested that the Government of Ontario has not attempted to limit spending. Let me tell that member that after the past provincial election for the first time there was a government in place in Ontario which tried to do something about expenditure and the way in which expenditure is getting out of control. For the first time it put into place a management board which, through the kind of Treasury Board activities that take place at the federal level, would ensure that there would be controls on spending. It put into place controls on expenditures for health care outside of the province of Ontario, something which the previous Liberal government had just let run loose.

We have a government which is attempting, under extremely difficult circumstances, to deal with a very tough recession, which was brought on by this government here in Ottawa.

Mr. Blais: That is not true.

Mr. Langdon: That is absolutely true. The Conference Board of Canada, which is also a non-partisan body, has said that this is a made-in-Canada recession brought about by the policies of this government. The people on the other side may not like hearing it but that is the reality. This recession has hurt people across the country. It has increased the deficit. It has seriously damaged middle-income and lower-income people.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, it is my duty to the constituents of Hamilton West to rise on third reading of Bill C-61, an act which would provide borrowing authority of close to $25 billion for this tired government's misguided operations for the coming fiscal year.

What irritates me the most, and those constituents that I represent, is that it is a request for a huge sum of money to continue to allow the government to do a lousy job.

• (1620)

The first budget of the new Minister of Finance sadly but truly carries on the traditions of his predecessor. This budget sustains that tradition because it is full of all the same hollow predictions, the same cooking of the books that the previous minister became a professional at. It is the same hopelessness which is now the hallmark of, and I will say it again, this very tired administration.

Mr. McCreath: Mr. Speaker, on a point of order. I would certainly request your observation. When my hon. friend suggests that the former Minister of Finance was cooking the books, it seems to me he is imputing a motive that is highly improper.

An hon. member: Debate.

The Acting Speaker (Mr. Paproski): It is debate but I would like to hear the point of order before anybody hollers "debate".

The hon. member for Hamilton West has the floor.

An hon. member: On debate?

Mr. Keyes: Yes, on debate, Mr. Speaker. I yelled out "debate". On the first two words that the hon. member uttered I could tell the direction in which he was headed. It was clearly obvious to me. Mr. Speaker, I respect the Chair and its duties in this hallowed hall.

The government now has high unemployment as part of its over-all economic plan. Unemployment has become a feature of fiscal planning. Without trying to create new jobs or trying to retrain Canadian workers for more modern skills, this government has actually cut funding for job training by $100 million. Funding for the Canadian Jobs Strategy was cut back severely. It is telling Canadian workers and those who are unemployed in this country: "You are now on your own". The government, it seems, has given up on trying to create jobs for Canadians in this budget. It has seen the unemployment figures and secretly is so shocked that it is incapable of action.

It knows that the Canadian Centre for Policy Alternatives stated in a report that 461,000 jobs have been lost because of the free trade deal. It knows these jobs will not come back on their own. Clearly, cutting job retraining by $100 million is a non-starter.

In the area of education the Conservative government is equally short-sighted. This year alone the government will eliminate $240 million from education and transfers to the provinces. Between 1986 and 1995 cuts to transfer payments will be almost $30 billion; $10 billion in education and $20 billion in health care.

How can the government believe our country will become competitive without investing in our future? Education, it seems to me, is the first place to start. Cutting $240 million is going to set us back years.

Let me turn to another aspect of competitiveness for a moment. The debate in this House yesterday focused on trade and unemployment. I call it unemployment, not employment. In light of the disaster visited upon this country as a result of the free trade deal, members were debating the prospects of the NAFTA, or the North American free trade agreement between Canada, the U.S. and Mexico.

During the last election the Conservative government promised that the Canada-U.S. free trade deal would create thousands of new jobs, thousands of new opportunities in this country. It has not. The government also promised that any workers laid off because of the free trade deal would be placed in the most generous retraining programs anywhere. They have not.

Now, in light of a North American free trade deal we again hear these promises in the wind, promises of Canadian jobs. Is this its only job creation strategy? If it is, again this country is in deep trouble.

Listen to these figures. The Institute for International Economics claims that under a North American trade deal Mexico would gain 600,000 jobs. The U.S. would gain 130,000 jobs. Behind door number three, the consolation prize for Canada. Canada would lose another 5,000 jobs; 5,000 jobs added to the 461,000 jobs lost already by this government's trade policies.

Last year, in the previous minister's budget, unemployment was forecast at over 10 per cent. That is probably the only forecast this government ever got right. Nationally, there are 1.5 million Canadians unemployed and the jobless rate stands at 10.6 per cent. In my hometown of Hamilton the rate is just slightly behind, but not too far, at 9.8 per cent.

The unemployment lines are swelling, but this government has thrown its hands in the air. For most Canadians times are tough. However, that is not so if you are a friend of the government.

I ask the House to consider the position of Ron Lawless, chief executive officer of VIA Rail and chief executive officer of CN Rail. That in itself is a blatant conflict of interest. He has just had his term extended by this government. Perhaps it is one of those last-ditch pay-offs to a fellow Tory by a government that continues to sink in the polls.

The policies of CN Rail must be condoned by this government since it is a Crown corporation with a CEO who is a true friend of this government. CN's tribute to Canada? CN has, after a long tendering process, awarded a contract to build diesel locomotives to an American company in Pittsburgh. It is a contract worth millions and millions of dollars. The competitor for the contract is a company located in Windsor, Ontario, General Motors of Canada. This is a most pitiful display of fence-sitting when you have a government which controls a Crown agency such as CN and is in a position to do something for hundreds of laid-off Canadian workers, but which instead throws up its hands, or perhaps more accurately, turns a blind eye to the needs of a Canadian industry.

Then there is another friend of the government. While the government waged a war on inflation, the casualties of which numbered in the thousands and thousands, the general leading the battle was the Governor of the Bank of Canada. He along with his colonels and sergeants were given an average wage increase of 6.6 per cent. At the same time, the Governor of the bank, John Crow, had the absolute audacity to preach to Canadians that they must tighten their belts, that they must ease up on increases in wages when contracts come up for renewal. These are the friends of the Tories.

Canadians have paid a price for these sorts of tactics. Canadians are tired of paying taxes to a government that continues to demand more and in return gives less and squanders away their tax money.

Here is an example of that kind of frustration, a letter from a constituent.

• (1630)

"Canadians are just plain sick of being taxed to death. There appears to be no other way to make the politicians pay attention and as usual, the Tories are just too blind to see the writing on the wall. The Tories put you in mind of Marie Antoinette's statement: Let them eat cake. Hell, who can afford the bread?", says the letter writer. "The French had a revolution, the Americans had a tea party, the Canadians, I guess most of us will probably end up in jail, convicted cross-border smugglers. Like Otto Jelinek's brother, who has moved his factory to the U.S., I have really had enough. I am moving to the U.S.A." This is from one of the letter writers.

We have another one here, Mr. Speaker. She writes: "I believe that the Canadian public has been mischievously misled and defrauded by the finance minister and the Tory party about the benefits of the GST and the management of the national debt that has led this country through divisive measures to an unnecessary recession. This Canadian voter demands an immediate re-evaluation of the GST, cuts in government spending and government restraint. Please forward the following message to the other side from me. *Je me souviens. Je me souviens*. I remember. I'm sure he'll understand". It is signed.

That is just a small sampling of the letters we are getting in our offices, I am sure on all sides of this House. People are concerned about high levels of taxation. They might be put at greater ease if they felt the government was spending money wisely, but nobody believes it. The costs are continually passed down to the provinces.

Hospitals and health care are areas which Canadians feel must be adequately financed, but health care is receiving less. In fact, I have another letter from a hospital in my constituency. The chairman of the board of trustees writes: "As you know, funding constraints are hitting Ontario hospitals very hard this year and Chedoke McMaster Hospital is no exception. We will face a $10.25 million deficit in 1992–93. There will be a small reduction of 10 beds at Chedoke and as a result of more efficient use of services we are projecting however an increase in the number of patients who will be seen at the Chedoke campus. Three wards at the McMaster site will be consolidated into two units. A total of 55 beds will close at McMaster".

The government has run up costs in this country and at the same time has run up the deficit. It has also run down transfer payments to the provinces that have put them, the provinces, in an economic straitjacket. When the provinces do not have the money they need for the programs, the onus is put on the municipalities also to come up with the shortfall.

I want to give an example. It is an example of another broken promise, another broken Tory promise. This one involves the minister for the region, the Minister of State for Transport and the member of Parliament for Lincoln. Hamiltonians when applying for unemployment insurance must often wait up to 12 weeks before receiving their first cheque. To carry them over the sometimes three month wait, they apply for welfare. The problem is that when their UI cheque finally arrives, it covers the entire period from when the claimant began to receive welfare from the regional municipality of Hamilton-Wentworth in this case.

The region asks for the overlapped UI amounts back so as to cover the welfare they had to pay out. But alas, fewer than 10 per cent of those claimants pay that overlap payment back. In taking stock of the issue, the region has asked the minister from the Hamilton area, our voice in cabinet for the region of Hamilton, the Minister of State for Transport, the member for Lincoln, and her sidekick the member for Burlington, to help them arrange a system with the federal government whereby the region would automatically, through assignment, be reassigned the overlapping UI amount. At

present this overlap costs the region about $10 million a year.

If you can believe it, Mr. Speaker, when we were in the meeting with the regional committee and the social service representatives, the member for Burlington incredibly said: "As I understand it, those UI cheques are getting out to the claimants in two or three weeks." You can imagine the groan that brought from the social service workers from the region sitting at the table.

They have both promised the health and social service committee of the regional municipality of Hamilton—Wentworth that they would look into the problem and report back. In fact the Minister of State for Transport at that time said she would get back before their next meeting. The matter was shuffled off to another department.

Yes, the minister did get back on the very day of the next meeting, if you can imagine, having that committee wait for the fax to sing out her message at the nth hour, to say essentially what she had said at the committee, "This is a wonderful idea. Why don't I take it back with me and do something about it for you". Well she did. She forwarded it on to another department. We have not heard from them since.

In so doing, both these individuals have failed their constituents and Hamiltonians who rely on them as their voice from our area. They have also failed the government since the region asked to be used as a test case for this type of procedure which would have saved the federal government millions of extra dollars.

My time is short so I want to wrap up by saying that Canadians are, without any doubt, outraged with the economic and fiscal policies of this government. This government does not have the confidence of the constituents of Hamilton West or those everyday Canadians living sea to sea to sea.

The recession that Canadians are still suffering through today got started a long time before the U.S. recession. Canadians know ours is a made-in-Canada recession, induced by the economic and fiscal policies of this government.

Canadians are tired of this government and if we could, tomorrow, on a vote on this matter stand up and defeat the government, we will welcome an election to take them on today, at the polls, just to see what the true feeling is of the Canadian public.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I would like to ask the hon. member a question concerning the borrowing authority and the proper expenditure of funds.

On the coast of British Columbia on the west coast of Canada the government proposes to de-staff a number of light stations, to remove their eyes and ears as it were. That de-staffing was reportedly proposed to save the government money. In fact, it exposed those areas to vandalism, to very expensive repairs and in fact in the long haul would have likely have cost as much as it had saved.

• (1640)

At the same time it would have blown a very large hole in the safety net of British Columbia. Those light keepers keep in radio communication with ships and aircraft, with tourists in the area who run into all kinds of difficulties, with charter boats and fishers, sports fishing folks. It is a tremendous part of the Canadian west coast safety transportation net.

There is another proposal that the government is going to attempt to carry out to save money and it is going to be catastrophic. It is the closure of the Cape St. James weather station about mid-point on the coast of British Columbia in the Pacific Ocean. The closing of that light station is going to mean a tremendous loss of weather reporting and information. It is going to be an absolute disaster.

The government has decided it would cancel the program to de-staff those light stations. But there must be a continuing expenditure on upgrading those services so that the lives and safety of British Columbians on the west coast of Canada can be protected by proper transportation safety infrastructure.

At some of the light stations, there needs to be a vessel to render aid to mariners in the area and there needs to be a method of launching those vessels. The government needs to put in VHF radio equipment so that the keepers can talk to aircraft and people at sea in the area. There also needs to be proper updated weather equipment so that regular weather reporting can be given from these areas so people who are flying in the area or

at sea can get decent weather reports which are absolutely critical to safety.

The government needs to be congratulated on reversing the de-staffing program but this cannot stop now. It must go ahead with an upgrading service to assure British Columbians that this government is serious about their lives and well-being.

Again I can stress that the Cape St. James weather reporting office must be retained. The proposal to close it in 1992 is absolutely wrong. It is dangerous and it must be stopped.

The Acting Speaker (Mr. Scott (Victoria—Haliburton)): Is there a question there somewhere or is that a statement? I am not quite certain.

Mr. Skelly (North Island—Powell River): Mr. Speaker, on several different occasions the Minister of Transport was requested to meet with members of Parliament from the coast of British Columbia to discuss this and he absolutely refused.

It was a formal written request by those members of Parliament to meet with the minister and the staff. A rejection by the minister's staff almost displayed contempt about the meeting that this was a *fait accompli* and British Columbians would have to live with the consequences.

I am been here for 13 years and I have never, ever seen a display of what I would call contempt in rejecting a formal written request by a group of members of Parliament to meet. We are not talking about a casual conversation across the floor, we are talking about a group of members of Parliament who are seriously concerned about the lives and safety of their constituents and the failure and outright rejection of a minister to meet on a matter of that importance.

In 13 years, I have never seen the like of it. That is the first point, a minister rejecting a request to meet and the second, a subject area so critical to the constituents. The bunker mentality that must be at work there is phenomenal.

A letter has been submitted to the minister by the same members of Parliament asking to meet on a further upgrading of those light stations and the transportation safety net. If the minister and his staff are concerned at all about lives and safety of people on the west coast, that meeting must go ahead. It must go ahead as soon as possible. The question is has the member ever experienced a like situation.

Mr. Keyes: Mr. Speaker, I have had the privilege of being a part of the standing committee on transport since my election in 1988. The transport committee first got together in 1989. I say to my hon. friend in the NDP "you ain't seen nothin'" until you sit in on transport meetings on the very rare occasions the government does see the error of its ways. Unfortunately, of course, that does not happen often enough.

At every meeting with the minister or every briefing from the department or anything which has anything to do with transport, it is stated time and time again, either by Transport Canada or the minister himself or the deputy minister or those in the department who may brief us on any particular issue, that the number one priority is safety; not saving money, not flying quickly from one city to another, not taking the train in a comfortable fashion or providing a route here or there. Safety is the number one priority of Transport Canada as it should be.

Unfortunately in certain circumstances I wonder if safety is not sacrificed in the name of the almighty buck. It is a very dangerous policy. We have a decision to make very shortly. In light of the royal commission on transportation, which we are about to receive some time this year, we will hope to see an inter-modal, integrated system of transportation in this country. A part of that integrated system is the importance of airports, the importance of Toronto international airport as one of two hubs in this country, Vancouver being the other.

Mr. Speaker, somewhere along the line somebody decided that we are going to have an expansion of Pearson International Airport. That is the way it has got to be and we are going to do that by building three additional runways at Pearson. Oh yes, there is an environmental assessment going on right now and they are travelling and getting information, but I will say it here and I will say it now, three additional runways at Pearson International Airport are a *fait accompli*. The environmental assessment will do nothing more than

advise the government: "Okay, you can have your runways, but if you are going to have them, you are going to have to put these time restrictions on them or you are going to have to put this kind of noise restriction on them or you are going to have to do this or that", but they will get the runways.

That decision is going to be made even before the royal commission on transportation has its chance to report, even though we have airports in and around the Toronto area like Hamilton airport that has the capability to handle the excess traffic at Pearson.

The government does what the government wants to do. All the sensible, constructive dialogue coming from this side, all the debating points that the government backbenchers make goes unheard. Some of them are saying: "Do you know what? You are right. You are absolutely right. That is what we ought to do.". It goes unheard by those in the front benches, the executive of the government, which runs this country. The executive—the 42—what is it? How many cabinet ministers do you have? Forty-two? Forty-four?

An hon. member: Too many.

Mr. Keyes: Yes, that is right. Too many. They are the ones who run the country. They make all the decisions and that is just a crying shame.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. I would like to bring to the attention of the House that 20-minute speeches and 10 minutes of questions and comments have now been terminated. We are now into the 10-minute speeches with no questions or comments. The next speaker will be the hon. member for York West, then the hon. member for St. Boniface and then the hon. member for New Westminster-Burnaby.

• (1650)

Mr. Sergio Marchi (York West): Mr. Speaker, I will have to reduce my 40-page speech to something in the neighbourhood of some 20 pages. I will try to abbreviate it, but one could write volumes on this government's action or lack thereof in terms of our economic future.

My colleague from Hamilton just finished his speech. Basically he delineated the woes and the fact that this government comes to Canadians via this Parliament for authority to borrow in the order of some $25 to $26 billion.

I suppose Canadians at home and those in the factories who are working still are asking themselves what this huge amount of money, which seems difficult to define for a great many Canadians, means in terms of government action *vis-à-vis* the economy.

Obviously for Canadians this borrowing bill is part and parcel or the centrepiece of the recent budget handed down in this Chamber. Canadians measured that budget according to some yardsticks. One of those yardsticks was jobs, that is to say, if they were unemployed or fearful of losing their jobs and they tuned in on this budget, they hoped to be inspired or given some hope for the future of this country and for themselves.

The problem is that a job creation program in the budget was non-existent. There was not a comprehensive strategy contained in those documents or in the speech of the Minister of Finance to put Canadians back to work. It was void of an answer for the 1.5 million Canadians who found themselves unemployed, another million Canadians who found themselves on the welfare rolls, and students who completed university training and could not find their niche in the world to start the careers for which they were trained. It did not really have answers for those older workers who all of a sudden found themselves unemployed and having a very difficult time trying to find employers who were willing to invest in them again.

It is very in vogue in some quarters of this House to make Canadians who unfortunately find themselves in one of those categories the scapegoats, particularly during tough economic times. It becomes very easy, very simplistic and very fashionable to put the blame on them, that somehow those Canadians are a drag or a drain on Canada and its economy, when those very Canadians were looking for some answers.

We spend in the neighbourhood of some $30 billion to maintain people on unemployment insurance. After they have exhausted unemployment insurance we maintain them on the welfare rolls rather than take a portion of those moneys and apply it to job creation, however this government wished to define it. We as a Liberal caucus and Liberal Party tabled a number of suggestions in this House and offered them to the government. One or two

of those points have been adopted, and I give the government credit for that.

However, in terms of the job creation stimulus, to invest some of the $30 billion that otherwise gets spent automatically without any questions asked to keep people at home would not have been an aggravation to our debt. In fact it would have been an investment in people. It would have given dignity back to Canadians. It would have put them back to work. They would have become more productive. It would have increased revenues and increased their salaries which in turn, hopefully, would find those dollars being spent back in the economy. Then they could be utilized to reduce our debt load.

Otherwise, if Canadians are not working, they are not going to be productive consumers. If they are scared about their future, they are not going to buy new automobiles or a second colour television set. It is quite logical. Therefore, without any inducement or stimulus in terms of job creation, the economy in the long run will suffer.

It seems that this government hides behind the question of the debt load. We are all concerned about and should be responsible for that debt load, but that argument should not prevent assisting Canadians to get off the unemployment lines, off the welfare rolls, and become productive again, thus increasing revenues. It would have been money well spent, money that unfortunately is still tied up keeping people at home.

What about the question of tax relief? We have a government that over the last number of years since 1984 has brought in 40 new or increased taxes. The average Canadian today is paying some $1,500 more than in 1984. Yet this government wants to be applauded for reducing taxes for a $15,000 to $20,000 wage earner by $2 a year, or a $30,000 wage earner by some $12. That is on top of a GST which, it is well known, has aggravated the situation both for individual Canadians and individual businesses.

Municipal and property taxes are increasing, and we have taxpayers who at the end of the month—and we all know them because we meet them in our constituency offices—are having a heck of a time making ends meet. After some seven or eight years of tax increases, GST and excise taxes, the government wants to be applauded because a $30,000 wage earner will now be saving $12.

Can you imagine the irony of that argument? Can you imagine the senior citizen who will receive a notice this month that he or she will get an increase of 37 cents a month? Can you imagine, 37 cents a month for a pensioner in this country? That means senior citizens will have to get together to buy a cup of coffee. If I were a senior citizen I would probably send back the 37 cents. Canadians are not that desperate and undignified to receive a 37-cent increase in their monthly pensions. What an insult and what an embarrassment to our senior citizens.

What about small business persons in this country? What have the ministers of this Conservative government said about small business in every budget since 1984? They have said that small business is the cornerstone and the engine of our economy. It is the job creator. Yet a businessman who happens to be in the small business category opens up the budget to see what there is for the small business sector and finds nothing. The only thing for them in this budget was the increased threshold of small business development loans from $100,000 to $200,000.

The riddle is—and you know it, Mr. Speaker, because you speak to small business people in western Canada—that those people cannot even get the $100,000 financing from their banks, never mind $200,000. It is gimmickry; it is public relations. But, when that is stripped away, we see that small business is having a tougher time under this Conservative government which purports to be more pro-business than under any other previous government. That is one of the reasons there is movement of goods, capital and business entities south of the border.

I see you indicating that my time is up, Mr. Speaker. I would have liked to have touched on the free trade agreement, the NAFTA, and the question that the whole working middle-class sector is shrinking. It is one of the features that has distinguished our country from others. All countries of the world have their rich and their poor. We have been able to distinguish ourselves in the latitude we have in our working middle class. Regrettably that sector in society is shrinking. It is under attack. There are no answers in this budget.

• (1700)

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am pleased to rise to speak today on this bill. The purpose is really quite simple. It will in effect allow this particular Tory government, which has since its election eight years ago prided itself in its fiscal management, to operate with a deficit yet again. This bill provides the government with the authority to operate at a deficit in the neighbourhood of $28 billion to $30 billion.

Just a few years ago in the 1988–89 budget the Prime Minister forecasted a deficit of $19.5 billion, which shows us just how much we can believe this particular government and how inaccurate its projections really are.

Let me say, however, that this is a well packaged budget. It has all of the right colours and the right ribbons in the right places and what have you. It tries to give Canadians an impression that it is positive, that it is doing something helpful for them. But when we start looking at it, when we get into the very essence of this budget, we find out that there are serious problems.

What are people saying about it? I talked to a number of people, and here are some of their comments: "What is wrong with this budget? There is a concern that the government has now made unemployment part of its economic plan". We are talking about unemployment being over 10 per cent. It is right there in the budget. Those are the kinds of goals that it has.

There is a concern as well with this 1 per cent cut in surtax. Whenever we talk about a tax cut it suggests all kinds of windfall benefits. This 1 per cent cut in surtax will mean a savings of $2 a year for a family of four whose combined income totals $15,000.

What about the changes related to the child benefits. That translates into an additional $4 per month for families earning between $30,000 and $40,000 a year. It is not enough to buy even a hamburger and a glass of milk.

This budget is also silent on the national child care program. We remember the announcements that were made, the promises: *les engagements*. There is nothing there and we know what has happened since then. They have said: "No way".

Important institutions like the Economic Council of Canada, the Law Reform Commission and the Science Council of Canada have been eliminated, along with the Co–operative Housing Program. That is what is in this budget.

What is in it for farmers? Nothing. What is in it for fishermen and women from the Atlantic provinces? Nothing. What is in it for workers? If a worker sees this budget, what hope does he or she have? None.

What about our seniors, which my colleague has already mentioned? There is nothing in this budget, but subsequent to it there was 37 cents a month. Can we possibly imagine that?

What is in it for youth? The government had this 3 per cent administrative tax on student loans. It said it intended to take it out. I wanted to see that. On the other hand, it removed six months' interest that the students were not paying. They will be paying six months' interest more. My calculation shows that if it removes that 3 per cent tax or $20 million, it will go and collect $30 million from the students. That is how it is treating young people.

Research and development is the very pillar of a dynamic, progressive society such as ours. What is the government doing? It is investing $240 million over five years. It is very easy to do that when the transfers are cut by $250 million–plus this year alone.

What about the revenues? This is what people are saying. They said: "Look, weren't the revenues roughly $70 billion seven–plus years ago?" That is correct, but now they are in excess of $130 billion. The government has almost doubled its revenues, and yet what has happened to the deficit and what has happened to the debt? It has more than doubled.

Where is the goods and services tax money? What kinds of surprises does the government have for us? Is it so bad that it does not want to tell Canadians for fear that the recession it brought about will be seen as worse than what it really is telling Canadians? Or, is it so good that it is salting it away for the election so that it can start dishing it out and trying to buy its way back in? I talked about the deficit and the debt. These are figures from the fiscal monitor, the budget papers. In 1983–84, it was $167.985 billion. What was the percentage of that debt to GDP? It was 41.4 per cent. It is going to be in 1991–92; $419.8 billion and the ratio of that debt to GDP; 61.5 per cent.

There is a $167 billion to a $419 billion increase, a ratio of 41.4 per cent to 61.5 per cent. That is what has happened in spite of the fact that the revenues have almost doubled for eight years. What is the media saying about it? I selected just a few items at random. Here is one from *Le Droit*, dated today:

[*Translation*]

"One hundred tonnes of food a day"; why one hundred tonnes of food? "The number of food banks in Canada is now five times what it was in 1984, and these banks now distribute one hundred tonnes of food daily. The number of food banks across the country has increased from 161 in 1990 to 292 in 1991 and 377 today. It seems that 40 per cent of the two million Canadians who receive food from these banks are young people under 18. Two million Canadians received food aid at least once in 1991, and 65 per cent of these were on welfare". Two million people on welfare as well. "Ten per cent of the people who go to food banks have a college or university degree, and 22 per cent have finished high school".

I didn't make this up. Here is the article. I have another quote from the same article: "Seven hundred young people under 18 needed some form of food aid in 1992". That is the kind of budget we have.

I also have a list of all the agencies that were subject to cutbacks. Why?

[*English*]

They wanted to suggest that this was one way of cutting the deficit and the debt. We know that in relationship to the total expenditures of government, this is a very, very small saving. What have they cut? The Canadian Institute for International Peace and Security, the Law Reform Commission, the Economic Council of Canada, the Science Council of Canada. I could go on. These are organizations that led the way, that told us what it is that we need to be concerned about.

Here is another article in *The Ottawa Citizen*, March 25, 1992. I want to quote this article entitled "Merging of councils may be unproductive marriage":

> The federal budget announced the reunification of the Canada Council and the Social Sciences and Humanities Research Council. This announcement might be interpreted as ending a trial separation.

It goes on to say:

> To understand our changing society, Canada needs the research capability provided by the Social Sciences and Humanities Research Council.

I want to quote another part of this article:

> The prospect facing the great challenges of our times without a growing and visible agency for the humanities and social sciences is chilling. Canada desperately needs a strong and concerted policy for research and development.

What about the *Winnipeg Free Press*, just shortly after the budget? It says that the government decided to do away with the Social Sciences Council of Canada and the Economic Council of Canada. Why? Because they were getting in the way.

The Court Challenges Program, why? Because it was getting in the way. Why was it getting in the way? Because there were many people on the right wing of the political agenda who felt that this was an appropriate way to go. There are a number of other Canadians who will remember that.

[*Translation*]

Mr. Speaker, there is a lot more I could say about this, but my point is that in this budget the government tried to give the impression that it was doing something constructive. It cut programs that are vital to this country and to all Canadians. The government claims it is doing something, but at the same time it takes away far more than it contributes. This government is tired and has no longer any sense of where it is going, which is reflected in the budget and in this legislation.

• (1710)

[*English*]

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I have several words to say today. I want to start with three words: equality, fairness, and hope. That is not what this budget is about. This budget is about inequality, cuts, and hardship.

We have before us today a bill which would allow the government to carry out the very few things it undertook to carry out this year, but there is no child care program, no pay equity for Public Service employees, no hope for Canadian women. There are continuing cuts to social assistance, battered women's shelters, care homes for seniors, people with disabilities, detox centres, to existing child care centres. All of these are funded through the

Canada Assistance Plan. The chokehold on education and health continues.

In this budget, the so-called new and improved child benefit really is a hoax. Canadians lose a universal social program, family allowance, and the government creates what it calls the new and improved system of child benefit.

This child benefit in fact creates two classes of children in our society, two classes of the poor. It creates what this government deems to be the deserving poor and they appear to look on other disadvantaged children in our society as the undeserving poor.

We see a society where food banks are the only growth industry in this country, where food banks have been on the rise but not programs to help people who are disadvantaged and poor.

It is disgusting that in our country 700,000 children should be the recipients of food from food banks. It is painful and it is disgusting that this is the situation in a country as wealthy as Canada.

I have three more words for the government: Court Challenges Program. This program allowed women, aboriginal people, racial minorities and people with disabilities to bring equality cases through the court, to help define the equality provisions of the Canadian Charter of Rights and Freedoms. Now the only people who will have these rights are the people who can afford them.

The program was axed without warning. The only warning in reality is this government's contempt for the groups that are mentioned. The government has suggested that perhaps some federal departments could fund equality cases. But the government is often the target of many equality charges and this would put the government in a position of deciding which cases against itself it would deem to fund, if any.

Even short-sighted people like ministers of this government should be able to see that that is a clear and unfair conflict of interest. The Court Challenges Program operated independently of the government and did not make decisions based on what would or would not be politically embarrassing for the government.

The elimination of the Court Challenges Program actually renders the Charter of Rights and Freedoms meaningless. The disadvantaged people in our society who need the protection of the Charter of Rights and Freedoms will no longer have access through the courts to gain those rights and freedoms they are told are theirs under the charter.

I have also heard Conservative members in this House having the gall to suggest that perhaps the provinces should pick up the cost for court cases under federal legislation. It seems that this government wants the provinces to pick up the tab for everything while giving them less and less money, less and less resources to pay for these things.

This government runs the Canadian economy with a single-minded Conservative ideology and expects the provinces and others to clean up the mess. As usual the people who are burdened with this cleaning up are women. Women are bearing a disproportionate brunt of the government's fiscal mismanagement. A hundred million dollars was cut from training programs. I have been hearing many disturbing things about this cut.

Several women's organizations which provide job counselling have apparently had to close because government funding has been withdrawn, the remainder apparently being told to cater mostly, or only, to people on unemployment insurance in order to get the funding. These are organizations whose client lists are made up mainly of older women attempting to return to the paid work force or of young people who have not yet broken into the paid work force or single mothers or other women who are living in poverty, who are trying desperately to get jobs and to get into the paid economy.

They serve battered women who have had the courage to leave and to try to break free from an abusive relationship. These are not people who are already on unemployment insurance. They are in fact even worse off than those people who are on UI. Now these women may be doomed to stay on welfare as a direct result of this government's policies. Yes, we understand that the money does have to come from somewhere. It should come from the people who can afford it, not from the disadvantaged.

In this budget, the Tories have cancelled the federal co-op housing program. Homeless people, poor people, these are not the people who should be paying for this government's fiscal mismanagement. Many members of this House do not appear to understand what co-op housing is meant to be.

A minority of the units in co-op housing is given to people with higher incomes who pay market rents for their units. These units are not subsidized. The majority of units are given to people who cannot afford to pay market rent. They usually pay approximately 25 per cent of their income and participate in the running of the co-op on a democratic basis.

People with low, moderate and higher incomes live and make decisions together. It is an empowering experience and it gets away from the ghettoizing of peoples in our society. The government clearly does not want to empower people, nor does it appear to be able to imagine living with people who are disadvantaged. Perhaps if the Prime Minister or the finance minister lived in the same buildings as people who were struggling to make ends meet, people who were poor and disadvantaged, they would not be able to deny that these people exist. They would not be able to rationalize that: "Only 750,000 children are using food banks.". They would see those children every day, going to school hungry and they might care enough to do something about it.

No one expects miracles. No one expects poverty to be wiped out overnight. The very last act of the former leader of my party in Parliament, Mr. Broadbent, was to successfully present a motion to this House to eradicate child poverty by the year 2000. We understand that children are poor because their parents are poor. Children are poor because they are living in a poor family.

Eliminating access to training, perpetuating economic inequality between men and women through an abandonment of pay equity, choking child care so that women cannot seek employment because they have nowhere to put their children where they will receive good care, are actions which create and reinforce child poverty. No one expects the government to end poverty tomorrow, but it is not even moving in a direction which would relieve and reduce poverty and eliminate it in the longer term.

The excuse for cutting back social programs that we hear over and over again here in this House is the deficit, the deficit and more of the deficit and even in this, the Tories are failing. They are billions of dollars off their target for deficit reduction. A recent study has shown that social spending has not caused the deficit, a study by Statistics Canada. The deficit is not being reduced by cutting social spending. The only thing that is being reduced is the quality of life of most Canadians.

Women's groups have warned this government about the effects of this budget on child care. Every year another nail is being driven in the coffin of child care. Universality is being eliminated for some social programs. Can others be far behind? This government is fundamentally opposed to the principle of universality and is moving to destroy it.

Family Allowance: The only program specifically directed to women has been abolished. The Prime Minister attempted to deindex the old age pension at the same time as it first deindexed family allowance. Pensioners are getting the enormous increase this year of 37 cents. I would think that the members on the other side of the House would hang their heads in shame. Thirty-seven cents to the members of our society who built this nation. Thirty-seven cents, what can they do with that amount? It is the lowest increase in 18 years. Maybe the old age pension is next on the chopping block. Then health care. The government has already been keeping funds from the provinces for health care services.

• (1720)

I have now been in this House for three and a half years. During that time I have learned that nothing is sacred to this government except its own interests. It is time to bring caring and responsibility to politics. It is time to really bring change. It is time for a leader who has experienced what it means to try to make ends meet, to start a small business and to survive.

Both leaders of the other two parties in this House are wealthy male lawyers with no experience in the struggle to raise a family with a limited income. They have not experienced first hand the disastrous economic policies of the previous administration and this administration, and it shows in their lack of judgment and understanding.

It is time for a change. It is time for a real change in the direction of this Parliament and this House.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the member for New Westminster gave us a list of items, almost all of which are exclusively within provincial jurisdiction, such as social programs.

Twenty-four hours from now the provincial legislature in British Columbia will be hearing the budget of the Minister of Finance for the province of British Columbia. It will be interesting to note, as a result of rumours coming to us now, whether the speech she has just given would not be better given to her colleagues in British Columbia than to this House.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I appreciate the opportunity to speak on Bill C-61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992.

In the ten minutes allotted to me I would like to speak not of what was in the budget but of what the budget did not contain.

This borrowing bill asks for $24.7 billion and an additional $3.9 billion to cover a shortfall in this current fiscal year. Well, that is money. How the world has come to revolve around the yen, the Deutschmark, the pound and the dollar. It is as if all the hungry mouths, empty lives, broken hearts and souls have no place in the machinations of the Minister of Finance.

Throughout my time in the House of Commons since 1988 I have tried by whatever means possible to convince the members opposite to open their minds to the larger picture. A country cannot be healthy if one million children live in poverty, and jobs and businesses are being lost as never before. This will only continue with the budget just brought forward by this government.

Society is like a web, everything is attached to something else. In order for it to function as a whole each strand of the web must be strong. A child is one strand in the web. For a child to have the best chance of growing up healthy the child must be born healthy. Yet in Canada 21,000 babies are born underweight each year. This often leads to a lifetime of illness and lost productivity potential.

Why are children born underweight? The main cause is that the mothers are under-fed. Feed the mother and feed the child. A healthy child will probably grow into a healthy adult, a sound citizen, a taxpayer and a parent to more healthy children.

For $500,000, which is the amount of money this government is spending on promoting its child benefit package, 1,234 needy pregnant women could have been given prenatal nutritional counselling at $45 per month for the duration of their pregnancy. The result would be many more Canadian babies born with normal weights. Our gift to their mothers would be food and our gift to the children would be health. It is a gift justly deserved.

It is said that in times of old when a ship was sinking the captain would yell: "Into the lifeboats, women and children first." Due to the seriousness of this issue I took the time to write a special article that has been published in *The Medical Post* on March 3, 1992. I will refer to it in my comments.

It is time for this government to begin launching such lifeboats. One of the firsts should be a "healthy babies strategy" for Canada.

This strategy would help ensure our babies are healthy at birth by guaranteeing adequate food and pre-natal counselling for all pregnant women, especially those who are poor.

According to the World Health Organization, a baby should weigh at least 2.5 kilograms when born. Babies below this weight risk ill-health and even a decrease in intelligence. They often suffer disabilities—mental and physical—which shackle them throughout their lives. Respiratory illnesses and brain haemorrhaging are frequent afflictions for these newborns.

The subcommittee on poverty was mandated by Parliament to direct the government in aiding the poor. This subcommittee of Parliament recommended that such a special nutritional supplement program be given during pregnancy, particularly the needy.

Every town, village and city in this country has its own child victims of poverty. Every hospital knows them. They walk through any urban centre. Winnipeg's shopping malls and housing projects will leave a memory of certain sickly, spindly teenagers and children fixed in your mind. I ask: "How many of these children were born underweight and undernourished?"

The cost of these children to the heart of our country cannot be calculated. The cost in dollars is estimated to be millions. Yet the federal health department has not acted on the committee's report although it was obligated to respond by the middle of this month. It has missed the deadline.

The federal government has made the deficit, not children, its crusade issue.

If the deficit is so important, why unnecessarily spend $26 million on the Spicer commission? Why spend $9 million to study the constitutional proposals? Why all these public relations campaigns? If we put them all together the healthy babies strategy begins to look like a real bargain.

Today in Canada there are over one million children living in poverty. Many of these children were born poor and unhealthy and will remain so unless changes are made in the way our society treats its most fragile citizens, our babies. The time has come to provide a lifeboat for these babies.

Let us now speak of the child benefits package that this government has proposed, the so-called white paper. It was unveiled as a sparkling gem of the Tory budget. However, it has been revealed to be a lump of coal. This program was heralded by the health minister and the Minister of Finance as a program to put more money into the hands of the poor. It was supposed to simplify the child benefits system. Yet the very first thing it did was to make two classes of poor, the deserving poor and the non-deserving poor, as though you can distinguish among the poor. The poor need help and they are all deserving.

Research done by Mr. Ken Battle of the Caledon Institute of Social Policy shows how misleading this child benefit package really is. It is a carrot meant to come into effect months before the next projected election, but it will decrease rapidly as it is indexed below the rate of inflation.

Let me read from the very same white paper: "The monthly payments will be adjusted annually for increases in the Consumer Price Index", it continues, "in excess of 3 per cent". That is the killer. It is not indexed to inflation.

• (1730)

For every gain made by the working poor, the changes to the family allowance system will set them back in other ways. One national newspaper calculated the effects of the budget on the pocket-books of three families.

A family earning $65,000 a year will be $124 ahead at tax time. Meanwhile, a working couple with three children earning $22,000 will only be $73 ahead. What can a family of five do with $73? It might possibly buy a child a snowsuit. What the government gives with one hand, it takes with the other through the loss of the dependent child credit and increases in the CPP premium.

The biggest kick in the teeth to families came when the government pitted people in need of child care against people in need of increased family benefits. A slippery government survey with twisted questions provided the government with the rationale for its decision to kill child care. The argument used by the Conservatives was, and I quote: "We fed hungry children. They were our first priority".

That is ridiculous. Children are the least of Conservative priorities. A trip to any food bank will demonstrate that. This government has accomplished nothing with the child benefits package and crushed the hopes of families who helped put them into office in the 1984 and 1988 elections because of its pledge of universal child care. This government has betrayed the Canadian people.

Mr. Speaker, allow me to have one more minute to conclude. It all came back to money. The country cannot afford child care. I submit that the country cannot afford not to have child care. It is part of caring for the family and making our workers more productive. How can a mother work, and over 60 per cent of mothers do work outside their homes, when they must worry about who is caring for their children? How many families can afford not to have dual incomes in these tough economic times? Parents have to work and children need care.

The government has to reconcile the two and realize that good non-profit child care is a necessity, not an accessory.

Money does not make a country, people make a country. If people are jobless, sick, living in poverty and abused, a country cannot be strong. Canada is weakening by the day, dragged down by this government's confused economic policies and loss of social direction.

This borrowing bill, which asks for $24.7 billion and an additional $3.9 billion to cover a shortfall in this government's fiscal year, can be passed by this government with its majority vote. However, the constituents of Winnipeg North are not very happy.

Mr. Dorin: Mr. Speaker, I rise on a point of order to seek unanimous consent of the House to revert to presenting reports from committees.

The Acting Speaker (Mr. Paproski): I believe there is unanimous consent. Is it agreed?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

FINANCE

NINTH REPORT OF STANDING COMMITTEE

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I have the honour to present the ninth report of the Standing Committee on Finance, a report concerning Bill C-21, as amended, in both official languages.

[*Editor's Note: See today's Votes and Proceedings.*]

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1992-93

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, be read the third time and passed.

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, it is a pleasure for me to participate in this debate on the borrowing bill because it gives me an opportunity to speak on last month's budget presentation.

The budget of 1992 presented an opportunity for the government to change the course of its policies, to in effect change the course of Canada. I submit that this government failed to meet that opportunity, to exploit that opportunity. I think it can be safely and accurately said that the 1992 budget was a hope that never materialized, a hope that was never acted upon.

We could say that this government follows the policies of the administration in Washington. It was George Bush, the President of the U.S.A., who said the other day, and I will not quote him verbatim, but I think he said in effect that he really did not want to fiddle with the American economy. He wanted to allow the economy to right itself on its own, in other words to just wait until the economy pulled itself out of the doldrums.

The government here in Ottawa is following the same course. It really does not want to do anything about the economy; it just wants to let the economy find its way all by itself.

This budget could have been a blueprint; it could have been a road map. It could have been a new vision for Canada, but that is not what happened. In my opinion, it is a hodge-podge of a budget, a budget that is really all over the map, a budget that is anything but coherent.

Now there were a couple of good ideas in it, ideas that I think—not I think, I know—were stolen from this side. For example, the 5 per cent minimum down payment for home buyers came from this side of the House as did the use of RRSPs to finance home purchases. I congratulate the government for following up on those ideas.

Let us look at some other areas of the budget. The finance minister had a lot to say about the tax reductions in the budget. Well, those reductions are a laugh. They have been alluded to before, but let me refer to them again.

Take the reduction in the surtax. For a family earning $40,000, the reduction is $27. For a family earning $20,000, the cut in the surtax is $6 and if you make $15,000 a year, the cut is a paltry $2. Who is the largest winner when it comes to the surtax cut? It is the family earning $100,000. The cut for them is $111. Remember, these cuts in the surtax come after the government increased income taxes well over $1,000 since the government came to power in 1984.

Let us talk for a moment about the much-heralded child benefits package. That is the package that will, come next year, eliminate family allowance altogether, but the government pointed out that what it was going to do is it will take the family allowance money and give it to the poor.

When examining the budget, what does it reveal? It reveals that if you are the poorest of the poor, you will get nothing extra. Not one nickel and that has been admitted to by the government.

Admittedly yes, there is some help to the extent of $500 a year for the so-called working poor. But once a family gets up around $40,000 a year, there is very little help, very little extra help under the child benefits package. In fact, according to calculations that I have seen at $40,000 a year income, it comes to about $44 a year.

I was reading a column the other day written by Frances Russell of the *Winnipeg Free Press.* She put this so-called child benefits package in the proper context. Let me read just a part of her column. It goes like this:

> The drive to take baby bonuses away from bank presidents finally reached its destination last Tuesday.

That was the Tuesday the budget was presented.

• (1740)

Again I continue from the column:

> The bank president won't get his $34.88 a month, that is $418.56 a year, per child any more. But if that child is in day care, the bank president will save an additional $450 in taxes just as a result of the $1,000 increase in the child care expense deduction.
>
> That deduction now stands at $5,000 for each child under age seven and $3,000 for other eligible children.
>
> At the maximum 29 per cent tax bracket, the $5,000 deduction translates into a tax saving of $2,250 per year for that bank president if he has one child in care, $3,600 if he has two.
>
> The family allowance pales.
>
> Meanwhile, maximum tax savings at the lowest 17 per cent bracket are only $1,350 for the first child. And most low and lower middle income parents can't afford sufficiently expensive child care to qualify even for that.
>
> The government's decision to cut the income surtax is equally perverse.

In my opinion, that puts the so-called child benefit package in context.

Now, in other areas of the budget, is there help for agriculture? You have to have a very sharp eye. There is almost nothing for agriculture. Is there help for small business? Again you better have a very sharp eye because you will find very little help. There is something when it comes to increasing the ceiling for development loans but again, examination will reveal it really is no help at all.

When it comes to the 1.5 million unemployed Canadians, is there help in this budget? Well, we just have to ask the 1.5 million unemployed whether there is hope. Again, the answer is no and in fact, the budget admits that. The Minister of Finance admits that because he says in the budget that he would expect the unemployment rate of about 10 to 10.5 per cent to continue for the next two years. There is very little hope for the unemployed.

The government failed to pick up on the suggestion of developing a so-called infrastructure program, working on developing our public works in the country, bridges, roads, those kinds of things. That would have been a great stimulus to the economy.

The abolition of the so-called advisory bodies for the federal government made no sense at all. The abolition of the Economic Council of Canada makes no sense at all. The abolition of the Science Council again is a real crazy idea. Will it save the taxpayer any money? I doubt it. I would think that what this government will do is that it will take the money that was saved from the elimination of the advisory councils. It will take the money and give it to its friends in the private consulting field. That would be my guess.

The matter of the GST. I wanted to touch on that because again a lot of people were hoping that maybe in the budget there would be some revelation about changing the GST in some respects. Again nothing at all, no hope in the budget with respect to the GST.

I want to read into the record a short letter from a constituent who has been fighting with the government over certain aspects of the GST. I will read the section of the letter which is self-explanatory.

> I personally feel that the GST system has been set up in such a way as to benefit most middle-to-large corporations. The ruling that I am asking the government to change in order to allow self-employed and employees of insurance businesses to be allowed to claim "Input Tax Credits" on their expenses for all business purposes is not unrealistic. What is fair for the goose should be equally fair for the gander. Why is it always the ordinary taxpayer that has to feel the brunt of any tax changes. If you and I both buy the same item at a store at the same time, we should both pay the same price and tax.

The Acting Speaker (Mr. Paproski): I regret, the hon. member's time is now terminated. He has had an extra two minutes. I am sorry.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to have this opportunity to say just a few words and put some comments on the record about this legislation we are debating today. It gives me an opportunity to comment on the government's budget and economic program and in particular, the concerns I have had about the need for fairer taxes in Canada.

What we are debating today is a very interesting piece of legislation. It is a short bill, two pages long. Bill C–61 is an act to provide borrowing authority for the fiscal year commencing April 1, 1992. I say it is an interesting bill largely because in these two pages the government is requesting the authority from this House to approve its ability to borrow funds.

Given the responsibility of governing, obviously any party would seek the agreement of this House to authorize its expenditures and raising of funds. The biggest question and concern that we have today is the way this government is raising its funds and in some areas, the misguided spending of funds it raises from Canadian individuals and corporations.

This bill is a pretty expensive piece of paper. We are talking about a piece of paper that is worth $24.7 billion. That is a pretty big number. I wrote it out with all the zeros so that we could keep track of it, nine zeros after the 24. It is a big chunk of money.

It is reason enough to have a debate today to ensure that we put on the record the concerns that members on this side of the House have about this government's economic policy and the problems and concerns I have as it relates to the question of fair taxes.

I mentioned those two particular concepts because it is very clear that this government has developed an economic program whereby it is fixated by the so–called marketplace and the invisible hand of the marketplace. It is more like the very visible hand of George Bush in Washington, D.C.

I am convinced more every day by the evidence that has come from various independent bodies, from the government itself and information I have compiled into what I call my fair tax information kit which anyone who is watching is welcome to inquire about. I know you might be interested in reading this, Mr. Speaker.

I am more convinced than ever after reading the information from government and independent bodies that the most critical decision we have to make, and so far the only party prepared to make that decision is the New Democrats, is that we must scrap the GST and bring in a fair tax system. I am convinced of that. I think the information is there.

In taking a looking at the GFT as Connie Colter, the *chanteuse* from Saskatchewan, called it, when we see the effect that tax is having on communities across Canada, and in particular of the major community in my riding of Prince George, we are talking about $42 million being sucked out of the economy through the GST bunkers that the government has built throughout the country.

That has a phenomenal impact on the Canadian economy. That is the reason provincial governments are very reluctant now to harmonize this tax with the federal government because they know the damage the "GFT" has done to the Canadian economy. They know the double whammy that Canadian consumers would be hit with if any provincial government moved to try and harmonize with the GST. They know the serious damage that would be done to the consumer. Some people are predicting conservatively that the GST is taking between $400 and $700 per person out of Canadian pockets on top of what was there before. I think it is clear when you talk to, maybe not officials in Ottawa here, maybe not even with Revenue Canada, but the average Canadian. We know the average Canadian is still very concerned over this government's decision to bring in the goods and services tax. I know they are looking forward to having that as an issue in the next election.

• (1750)

We have looked at some of the concerns about the debt and taxation and my view is that we can have a fair tax system in the country. When we suggest this to government members, they say: "Well, what is your alternative?" That is fair enough, I expect them to ask that.

The reason I welcome their comments is because prior to the GST debate, our party presented alternatives to the goods and services tax. We went through the proposals, came up with our proposals and I think responded to what the then minister of finance was saying when he asked us to come up with alternatives. Our thinking cannot be any fuzzier than these guys. I think the evidence shows that our information will go much further than the government's to date.

We have had some interesting support come forward. I am referring in particular to the one proposal that has been presented by our caucus and that is concerning the business entertainment deduction. I have a very interesting quote I would like to read to you from *Canadian Business*. It is the editor in chief, Mr. Alexander Ross. I quote:

> It pains me to be on the same side of an issue as the NDP's Audrey McLaughlin, the member for Yukon who recently suggested that enough is enough. But I think it's time that you and I and my friend Patrick and all those portly chaps in their plush banquettes at Winston's—

And we know who used to hang out at Winston's.

> —started paying for their own drinks and big lunches for a change.

That says that the work our caucus has done in presenting alternatives to the taxation measures presented by this government is correct. So when we are faced with voting on a bill that is trying to borrow some $24 billion, we would hope that Canadians can be assured that it is going to be spent on the proper items and proper things.

I would like to comment briefly on what was not dealt with dramatically in the budget, and that is some very important matters to my area in northern B.C. I think about the infrastructure program that has been mentioned, the importance of upgrading the Yellowhead highway, which may have been part of an announcement today or at least there were rumours of that from the first ministers' meeting. There is also a very important program in our area, the northern tax allowance. Basically it has been scrapped by this government with the endorsement of the Reform Party which is opposed to it completely.

I think it is an indication that the government's economic policy is fixated on a marketplace that is hurting the average Canadian and imposes an unfair tax system. That is why we have so many people across the country concerned about what this government is doing and the need for new direction for the Canadian economy.

Mr. Maurice Foster (Algoma): Mr. Speaker, I welcome this opportunity to say a few words on Bill C–61, which is the borrowing authority for this government. I want to make my comments, taking into account the recent budget by the Minister of Finance, because clearly that budget sets out the government's fiscal and monetary policy for the next year.

We have to recognize the Minister of Finance is able to put together what some political junkies would call a very skilful political document, in that he gives a token reduction in taxes later this year or next year, and a few social policy things that seem to do something. In some ways some people would describe it as a used car salesman's budget in that he is trying to give the old tin Lizzie a new paint job, bumped out the fenders and tarted up the old tin Lizzie and made it look somewhat better but if you look under the hood of the Canadian economy, it really does not look any better than it did before the budget.

Clearly that budget spells out that we are going to face extremely high unemployment, over 10 per cent, 1.5 million Canadians this year and most of next year unemployed, that the deficit which the government is preoccupied with really is not going down. Every year it misses those deadlines. We really do not have much improvement.

I think that the document is designed to respond to the fear and dread that the government has and the Tory members from Alberta have about Preston Manning and the Reform Party. We see the wholesale slaughter of all kinds of government agencies, agencies which often give independent advice, like the Science Council of Canada, the Economic Council of Canada, which have been very critical of the government. It is a campaign to get rid of all the critics.

Governments by their very nature tend to operate on a three or four year horizon, whereas groups like the Science Council and the Economic Council are there to look ahead at long-term needs and most governments draw great advice from them.

As we look under the hood of this masterpiece by the Minister of Finance, we do not see much encouragement for the future. However, the government did adopt a couple of recommendations by the Leader of the Official Opposition, the idea of using RRSP funds to stimulate the housing market. We applaud that decision by the government. The decision to cut some $75 million out of the government's propaganda campaign, that of course is acknowledged and appreciated. The government did reduce the excise tax on ethanol.

Most of these things were at the urging of the Official Opposition. The hon. member for Lambton—Middlesex is in the House tonight. He has had a bill on the Order Paper encouraging the use of ethanol for at least three or four years. The government has finally responded but now we have to wait and see whether it will put in place a program to promote an effective renewable fuels program and not just reduce the excise tax. That is an important action, but there needs to be whole promotion, a research program, a development program to actually get to those renewable fuels.

If we look at that document we see that the poor and the unemployed are still poor and unemployed. For instance, the tax reductions that are talked about really amount to practically nothing. A family of four earning $15,000 a year will get a $2 tax saving. The child benefit, which has been alluded to as a great step forward, a family of four with a $30,000 income will get $4 per month more.

The budget makes little feinting moves toward some improvement but the basic problem of a country, the falling apart of our whole economy, the unemployment, nothing has really changed by this budget. I take one example.

• (1800)

The agriculture productivity council which is advising the government on how we might maintain the further processing of agriculture products made a recommendation just about a week before the budget of the Minister of Finance came down. It said that the capital cost allowance for new capital investments to stimulate the food processing industry, which after all is the second largest processing and manufacturing industry in this country, should have the capital cost write-off doubled from 25 per cent to 50 per cent.

They said even at that they might not do very well but there would be put in place a really strong stimulus to try to regain an industry where we have lost some 70 plants across this country, and over 18,000 jobs since the free trade deal came in. If we lose the food processing industry, we lose the market for those thousands of producers in this country who are under great attack because of the negotiations at the GATT and the free trade deal. The government and the Minister of Finance increased the capital cost write-off by 5 per cent to 30 per cent. That is just a token gesture. It does not go anywhere near what was recommended by that productivity advisory council.

We see that across the whole landscape of our processing and manufacturing industries, which are totally in the doldrums these days. That is just an example of the lack of a massive program to try to get this country back on the rails.

The Leader of the Opposition recommended that there be some public capital works projects to try to get the economy going again, to try to reduce unemployment, to give confidence to the private sector. None of that was in this budget.

I recall in the recession of 1981–1982 we had a massive capital works program and by 1983 we were seeing the economy pull out of that recession. I recall that we had programs for unemployment that helped those economies.

This recession is much worse than in 1981–1982 because we have seen plants shut down which we do not expect to ever see open again. At that time it was a case of industries laying off and taking people back. What we need is a reconstruction program for the Canadian economy.

Just as we saw the productivity council on food processing recommend a doubling of the capital cost write-off, we need strong incentives for research and development and application of new techniques because after all we were in competition with not just the United States but European countries in that sector. None of those things were done in a manner large enough or strong enough in this budget to really turn the situation around and recoup.

We are disappointed that this budget has not gone nearly far enough. On top of that we see groups like the Science Council, like the Economic Council, who are after all a sort of long distance radar, looking ahead to the direction, standing back from the politics of the day, or the economics of the day or short blips in the economy, and looking at the long sweep of history.

Yet those agencies which are independent and operate on a global basis and are in a position to advise the government what direction it should be taking and giving independent advice, sometimes critical advice, have been killed off by the government.

We will not have that advice for the long term.

Mr. Speaker, I think this budget really gives us great concern as to where the government is going, how we are going to get out of this recession and how we are going to put the 1.5 million Canadians who are out of work back to work.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I rise to speak on this borrowing bill. In so doing, there are three areas I would like to cover. I want to talk about the situation as I see it in the economy right now, some of which was referred to by my friend from Algoma. I want to have a look at the situation in the taxation business in the period of the seven-plus years of this government. I also want to have a look at what has happened to the deficit. Those three areas I hope to be able to cover in the time I have.

To begin with, after years of wax and wain, but essentially what was an improvement in the economy and relatively good times as far as the expansion of the economy was concerned, what are we left with today? The budget that I am referring to is the eighth budget in eight years, pretty well, and what has all this amounted to?

We heard the promises of jobs, jobs, jobs. We have now a situation in which the national rate of unemployment is currently 10.3 per cent. It is expected to remain, in the budget's own words, at 10 per cent throughout this year, 1992. We have a net loss of 91,000 jobs experienced in the manufacturing sector alone in 1991 and the total unemployment insurance bill for last year is now expected to come to close to $18 billion. That is phenomenal, that is phenomenal.

We have a growing percentage of the unemployed who are exhausting their benefits without finding work, and today we have more than 1.4 million Canadians unemployed; 2.2 million are on welfare; and 1 million children live in poverty.

In my province alone we have 31,000 people employed in the fishing industry—fishermen, trawlermen, inshore, offshore and plant workers—and as I stand and speak to you tonight 8,000 of them are without employment. In my riding alone, on February 14, literally with the stroke of a pen, 850 employees in the plant in Port Union-Catalina were to be laid off within a week; 155 trawlermen with the same stroke of the pen, and on the same day, ironically, the announcement was made of a cutback in Hibernia where 850 people were to lose their jobs.

If that is not a double whammy, I don't know what is.

During the first 11 months of last year over 57,000 consumers and 12,500 businesses declared bankruptcy in Canada. That was an increase of 42 per cent over the same period in 1990. The Canadian Manufacturers' Association, which is a reputable organization, predicted that 1,000 manufacturers will go bankrupt in the coming year, resulting in an estimated loss of 100,000 jobs.

In November of 1984—I was not a member at the time—but the government of the day, the Conservative government, outlined the vision of how the Canadian economy could be put on a solid future-oriented footing. I took heart, as a lot of Canadians did, with this. Their approach was to build a strong economy relying completely on market forces, believing that the government's role in the economy should be minimal.

As part of this strategy the government cut expenditures for education, research and development, and training. It did not introduce adjustment programs until after the implementation of the free trade agreement. As part of this strategy, until quite recently, a higher interest high dollar policy that has been spoken about so often in this House was encouraged.

The government indeed has not fostered growth. It has relinquished the responsibility to monitor the market forces and has inhibited the economic recovery. The real story is not only what the government has done to the economy over the last seven years, but essentially what it has failed to do. This is one of the problems I have.

One of the things that it has done is to have drastically increased taxes. Since coming to power in 1984, the Conservatives have implemented 40 changes to the tax system that directly affect Canadian individuals. This count, of course, does not include the implementation of the goods and services tax, the most hated tax in the world, which single-handedly caused the greatest damage to consumer confidence and is partly responsible for the recession that we have today.

I am going to quote the global economic study released in June of last year that revealed that the tax burden faced by an average Canadian family was $1,530 greater in 1991 than it was in 1984. In 1991, Canadian households paid a total of $17.2 billion more in taxes, net of transfers, than they would have paid if the 1984 tax system were still in place—$17.2 billion. Even families earning less than $10,000 on average, and that is not very much money, experienced a small increase of $85 in federal taxes.

• (1810)

The impression that one would like to have and certainly one that the government would like to create is that the latest budget offers Canadians a significant tax break when in fact it does not. The reduction in the personal income surtax, and I would remind you, this is a tax that was introduced by the Conservative government in 1986 and subsequently increased on two occasions, offers very little relief to Canadians. You have heard the figures many times. I am not going to repeat them.

Essentially it benefits high income earners more than low income earners. The only figure I want to quote is that for a family of four with a combined income of $15,000, this tax cut will result in savings of only $2 for 1992 whereas if the same family had an income of $75,000, they would have saved $74 in 1992.

I remember the first budget of this government. I was not a member of Parliament at the time, but the first budget was in May 1985. The comment was made in that budget that this budget represented a major step toward controlling the growth of the federal debt.

The prediction was made that the deficit would be $33.8 billion in that year, but in fact it turned out to be $34.6 billion. The federal debt that needed controlling at that time was $224 billion. After seven more budgets, seven more years, the budget now stands from $34.6 billion all the way down to $31.5 billion, a decrease of practically nothing compared to each promise that was made in each budget at a time when the economy was relatively healthy, at a time when the goods and services tax was put on to Canadians, at a time when taxes were raised on the average Canadian $17.2 billion, at a time when social services were cut, unemployment insurance. The government got out of unemployment insurance. VIA Rail was cut. Health insurance is beginning to look a little bit marginal, social programs that were supposed to be a social trust.

I do not understand why the deficit is still the way it is. One of the things I wanted to quote here in the time that I have remaining is a C.D. Howe Institute analysis of the February 1987 budget. I happened to come across it and if you would just permit me to finish off here. The title of it was "An Opportunity Missed" and it said in 1987:

> In the face of the increasing difficulty in maintaining the appearance of downward deficit track, the government has resorted to asset sales and fiscal tricks to fulfil its principles. This is not the way to reduce the underlying imbalance between spending and revenues. It is merely a way to finance it. The ongoing budget deficit appears to be stuck at just over $30 billion.

That is what they said. This seems to be the situation today. Five years later, this Minister of Finance rose to tell us that the budget was going to be around $31 billion which was higher than last year, which was higher than the year before and the year before that.

Mr. Speaker, we are looking for some improvement. I regret to say that this budget has not produced it.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, tonight I would like to address my remarks to a program that the federal government attempted to impose on the transportation system on the coast of British Columbia. That was the program to destaff the lighthouses, essentially to remove staff and automate them.

The coast of British Columbia is about 500 miles of the worst place to conduct transportation anywhere in this country. It is mountains, oceans, continuous fog, rain and storms off the Pacific. There are only two ways to get back and forth and that is by aircraft or by vessel.

The destaffing of the lighthouses, and this is the second time the government has tried it, is really putting a major hole in the transportation safety net on the coast of B.C. British Columbians are firmly convinced that this will impact their lives and safety in the work they do and in their transportation.

The cancellation of that ill-founded and ill-conceived destaffing program resulted from what was an uprising on the coast of B.C. There were meetings held in Prince Rupert, well attended meetings of people who were irate, concerned and committed to doing something about it. They attended meetings in Prince Rupert, Port Hardy, and Campbell River. There were meetings scheduled in Victoria, Nanaimo, Parksville in the Alberni area,

and they too would have formed committees to go after the government and attempt to reverse this.

Thousands of letters, thousands of phone calls, thousands of petitions have eventually turned the government again. Certainly this was not partisan in terms of one political group attempting to achieve it, or members of Parliament, or folks from one political group. It represented people from all walks of life, members of Parliament, MLAs, again from all political parties. By joining together over a matter they felt very strongly about, this matter has now been changed.

It is not good enough. This is only half the job. The government tried this twice and again just recently has announced that it is again abandoning the idea. Again, it is only half the job.

What needs to happen now is the government must get involved in a light station upgrading program. Some time ago when the Coast Guard abandoned this destaffing project previously on the west coast, it began a study called "The Future Upgrading of Light Stations". There were to be seven volumes or seven areas of study. The first volume of this study was completed and adopted at the regional level and referred to the national office of the Coast Guard for consideration. And there it sits.

Really, if the transportation safety net in British Columbia is to be workable and secure for the people who live and work there, this future of light stations report has got to be brought back, dusted off, and implemented.

One of the key elements of it is a redefinition of the job description of a lightkeeper. A lightkeeper does not simply turn on a fog horn and a light. They are involved in aid to mariners. They have rescued people, saved their lives, prevented property damage and have done basically a tremendous job as the ears and eyes of the safety system along the coast of British Columbia.

They are available where they have provided their own radio equipment to talk to people in aircraft and in vessels in the area, giving them advice about weather, about marine or air hazards in the area, and those are very well appreciated.

Unfortunately in the FURL report the government made a commitment that it would provide up to date VHF radio equipment so that that communication can become a regular published feature for those light station keepers. It must happen. Safety for safety reasons, it is imperative.

It is ironic that the government does not supply binoculars to the light station keeper. If the light station keepers are to be able to monitor what is going on in the area around the light station they have to provide their own. It would be a reasonable thing and recommended again by the report that a simple pair of binoculars, that simple expenditure, can save peoples' lives.

A vitally important area in upgrading is putting weather reporting equipment in those light stations. The ability to give timely and accurate weather reports for marine and aviation purposes is absolutely critical. It was recommended in the upgrading report. It sits on the shelf.

Some stations have outmoded equipment. They do not report on a regular basis, and the reports are almost useless. They are doing half a job. They do not provide the kind of safety back-up that is required in the weather reporting system out there. They need proper equipment in those light stations. The lightkeepers need to be trained and they need to report regularly and at special times when important changes occur in the weather so that the transportation system can use that information. It will save lives and it will make the whole system safer.

It is ironic that in providing aid to mariners some stations do not have reliable vessels. They have no reliable way of launching those vessels. Of course in some cases where the light is separated from the office of the light station keeper, they do not provide a survival suit for the individual who may wind up stranded in an area surrounded by water or in the water. It is important that each one of these light station keepers have access to a survival suit so if they are going to render aid to mariners, at least they are not endangering their own lives. It is absolutely critical that that be provided.

There were meetings in Prince Rupert and Port Hardy. The central coast of British Columbia is a very difficult and dangerous area to work in. Generally the flights that originate in Vancouver, Vancouver Island, and Prince Rupert, proceeding along the coast via the central coast depend very heavily on the Cape St. James weather station. Without that you are literally flying or sailing blind into the area. It is probably the loss of one of the most important weather information systems to people who use that system of any resource that exists.

• (1820)

The government is talking about closing it in 1992. It is going to save some money. But if it saves some money by closing that weather station, it will kill people. It will become very, very unsafe to operate in the area.

I do not say that; the Coast Guard helicopter pilots say it. They say that when they leave Prince Rupert they have no information to work with. If they go out in bad weather to effect a rescue or possibly to assist someone who is having difficulty, then they are in turn placing themselves in danger because they have no information to work with.

One of the most important assets or resources they have is that Cape St. James weather station. It is absolutely critical that the government reverse its decision to close that station. There will be a continuing fight in this House. The meetings on the coast will continue. This must be turned around. Those light stations must be upgraded.

In the FURL report, there is a volume ready to go for implementation, but there were to be seven of these. It is time now to do the second half of this upgrading. Let us get the public consultation meetings going again. Let us pick up the ideas on how to upgrade those things so the safety net is solid. Let us cancel the plans to close the Cape St. James weather station.

Above all, the minister must meet with the seven members of Parliament who represent the coast of British Columbia. There is a letter on its way to the minister's desk to say that the job is half done. Well done for that part of it. No more destaffing. But let us get the other half of the job done, the one that will really provide some protection to the lives and safety of people on the west coast. Please, let us have a meeting with those members and get some understanding of where we go from here.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I too am pleased this afternoon to have the opportunity to touch this problem from a different perspective, having spoken to many of the people I represent from Nipigon, Red Rock, Dorion, Hurkett, Pass Lake, Kakabeka Falls, Murillo, Gull Bay, Armstrong and eventually Thunder Bay. That is primarily the vantage point from which I speak. I am going to try to express to this House what I have been hearing from the areas that I have just mentioned.

What truly disturbs me about this budget and particularly about this borrowing bill is that we seem to have failed in our purpose in Canada. What I am hearing is that Canada no longer has a common direction on which to focus. Canada no longer has a common goal. We no longer have a national purpose around which all Canadians can rally and engender the feeling of pride that we once had in our country and around which all Canadians can feel secure and comfortable about the many fine institutions that it has taken this federal government of ours so many years to build.

These are institutions like our educational system that we value in every province and every territory in our country that is free and open for all to participate. It is an educational system that qualifies as one of the best in the world when we get into our secondary level and our post-secondary level. We have a skills training program at our college level that we should be supporting in so many ways.

Another institution is a system of government that shows empathy, care and concern for many of our fellow Canadians at different times in our lives when we need a little assistance from the governments.

Another institution with its pimples and its warts, our national health care system with those pitfalls is the envy of every country in the world. Every country, especially the United States, is trying to emulate it.

What we lack is a national purpose around which all Canadians can once again sense that feeling of national pride, that feeling of loyalty to a unified country we are all trying to achieve. I think unfortunately it is because of the borrowing bill we are talking about and the budget and the several budgets that have gone before that today this is missing in Canada. This bill fails in every way to re-establish those values and virtues most Canadians grew up with.

When I say most Canadians, I look around and I see my colleague from Essex, my colleague from Spadina, you, Mr. Speaker, and my colleague from Chatham. I am sure we all grew up with a feeling of loyalty and love for our country. I sense that is no longer prevalent today. I am not so sure that our colleague, the Minister of Justice, would be of our age group so I will not include her.

We still believe in our future. I am not sure that if this present trend continues that those for whom we toil and work today, our children and our grandchildren, particularly my grandchildren, Bradley, Joseph and Victoria, will ever again sense that feeling we experienced in our childhood and enjoyed the institutions that this country Canada afforded to each and every one of us.

In the few moments I have left, let me try to explain what I have just said. One of the worst mistakes we have seen in the Government of Canada in the last several years, perhaps the gravest error, is what this government has attempted to do with respect to the economy. It has tried to change the basic direction of our economy that has been in existence historically for well over 115 years.

The heritage, the wealth of our economy, the employment our economy created in Canada up until the term of office of this government have always been based on a resource-based industry. There is nothing to be ashamed of when we are referred to as the drawers of water and the hewers of wood. As a matter of fact, it is a compliment to all of those who work outside the larger centres in, the forestry industry, the mining industry and the agricultural industry, who on the odd occasion have to get down and get their hands dirty. There is nothing to be ashamed of in the fact that the strength and the wealth of our country is based on our resources.

When we talk about resources, let us just take a moment and see what we have. With respect to my friend from Chatham, in agriculture I think of that wonderful area that produces so many fruits and vegetables in the spring, summer and fall in southwestern Ontario, where I have had the opportunity to participate for so many years.

When we talk of agriculture we are not excluding Ontario and other parts of the country, but our minds go to the west and wheat. Every time we talk about wheat it is synonymous with food. It seems we cannot talk about wheat without thinking of food.

I know that my colleague is thinking of using wheat for other purposes, in the energy business. I compliment him for the work and the tremendous energy that he has put toward that venture.

• (1830)

But wheat is still primarily synonymous with food in our country. When we think of so many people who are hungry not just in Canada but in the world, we have a tremendous challenge in Canada to become the bread-basket of the world, to be able to feed all of those people. Not just to feed the people in Canada, but all of those hundreds of thousands, perhaps millions, of people throughout the world who need wheat and need food. How great it would be for our country to be the leader in providing food for the millions of people who need it.

Our agricultural products can do that. The resources of our farming communities, the wealth that we have in our western provinces, given the opportunity we can produce more than enough food than is necessary throughout the world.

We have resources in energy. We have resources in forestry. It is the largest single industry in Canada. It produces $40 billion a year, $20 billion in export payments. It produces 800,000 jobs a year in this country. We have mining.

Those are all the fundamental industries that make up the resource-based industry that Canada has. We should start to reassess our future economically and put it back to the resource-based industry that has made Canada strong for 115 of the last 124 years. By going back to our roots, to the resource-based industry, we can build a base whereby we can then take a challenge in other areas of the economic spectrum.

I am not sure that we took that direction under this government, under this borrowing bill, and under this budget and the several budgets that have been placed before this House. We have failed to recognize the value of the resource-based industries in this country and, as a result, we find ourselves in the dilemma that we are today.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I would like to follow on the heels of my learned colleague who has underscored the real problem with this bill. It indicates that the government, as my colleague from Thunder Bay—Nipigon says, does not have a vision for this country, nor has it indicated a purpose.

I would like to concentrate for a moment on the government's record. It is asking for $24.7 billion and Canadians have to ask why. For what reason is this government yet again asking for more money?

Since the 1989 budget there has been a 16.5 per cent increase in government revenues. To all intents and purposes that means that there has been a 16.5 per cent increase in taxation, because that money has had to come from some place, keeping in mind that we are in the middle of a recession.

During that same period, my colleague from Thunder Bay—Nipigon and others on this side of the House will recall for everyone present and all of those who are following this debate that the national debt has increased by a further 27.3 per cent.

So when the government asks for money, there must be a reason for that money, for its utilization. For what purposes do we collect taxes unless we are going to put them to use for our citizens? But as my colleague has indicated, that purpose is not altogether clear.

Before I go on to some of those analyses, it is important or at least instructive for those present to recall that from the time this government came into power in 1984 until this last budget, income taxes have increased by 64 per cent. Sales taxes have increased by 236 per cent. Gasoline taxes, one of the big inducements to cross-border shopping, have increased by 479 per cent. And yet we still have a debt. We have a burgeoning debt. It has gone up by 27.3 per cent over that same period.

Most Canadians might be able to stomach that increase in taxation, all that money. We would say yes, we are willing to contribute to the greater need of our country. But for what purposes has that money been used? Has it been used to redress the regional inequities in this country?

Let us just think for a moment about the population distribution. Atlantic Canada, as one example, houses 8.6 per cent of Canada's population. Yet that population is only able to pay 5.8 per cent in income taxes to our general revenues. When we consider both provincial and federal revenues, they pay 5.7 per cent.

One might stop and say that is unfair, that they should be paying more. They are incapable of paying more because over the course of the last two Parliaments the government has been unwilling to address a crying need, that is regional disparity.

I will continue again with Atlantic Canada, just to give an indication of how remiss the government has been in addressing the needs of Canadians. When that population, that 8.6 per cent of Canada's population, files its income tax returns, 57.6 per cent of all its net revenues include UI, old age security and family allowances. The people of Atlantic Canada depend on the largess—and that is not a very nice term—of Canadians elsewhere.

By comparison, my own province of Ontario has a much lower distribution or contribution to those types of programs. Despite the fact that the people of Ontario comprise 36.7 per cent of Canada's population, they are contributing 45.7 per cent to national revenues.

We have not addressed the inequities we see through both revenue accumulation and revenue distribution by this government. Even worse, have we addressed the areas where Canadians can grow? Have we addressed the imbalances we see in the economy of the country?

You know as well as others, Mr. Speaker, that about 30 cents out of every dollar earned in Canada comes from international trade. We have a negative balance of trade with Japan, with the European Economic Community, with other OECD countries, and with all other countries. The only country with which we have a positive trade balance is the United States. This in itself is a cause for shame for all of Canada, because we do 75 per cent of our business with the United States. No other country in the world is so dependent on one client, on one market as Canada.

Is this government using the resources it is asking Canadians to contribute for the purposes of redressing these kinds of imbalances?

Even in our trade with the United States we have a negative balance in all areas except that which my hon. colleague from Thunder Bay—Nipigon indicated, and that is in the primary resource area. Imagine, the only positive component of our international trade which contributes 30 cents out of every dollar earned in Canada comes from our primary resources.

In effect we are a Third World economy with a First World standard of living. But for how much longer can we continue in that vein? For how much longer can the economy of Canada sustain the kind of lifestyle to which Canadians have become accustomed or to which they would like to become accustomed? We need only go to some of the less advantaged areas of Canada.

I cited some examples from Atlantic Canada. I think they underscore the disparities we have nation-wide.

• (1840)

The government comes to us today and says: "We want another $24.7 billion". We would be happy to give it that money if we had along with that request an indication of an agenda or an objective the government and this country could follow for the purposes of growth.

My colleagues as well have alluded to the problems that we have in terms of unity. How can we speak of national unity when we appear to be bereft of national purpose? How can we speak about harmony and productivity when the government has essentially abandoned its obligation to address economic disparity on a regional basis, economic disparity on a personal basis, and when its only solution to all ills of this nation is to increase taxation and decrease expenditures.

A study was recently put out about the problems of Canada with respect to its demography, its population, and why it cannot be competitive. It does not mean that Canadians are incapable of producing an intellectual level of inhabitant capable of competing with others world-wide. That is not the problem. In fact once Canadians get to the university stage, the post-graduate degree level and beyond, they can compete with others of similar education world-wide.

The technology of today and the technology of tomorrow require a semi-skilled or skilled worker able to make adjustments from day to day, year to year, and for that they require a high level of education.

Even this government through its ministers has indicated that by the end of this century we will need a minimum of five years of post-secondary school education and/or training for the typical job, for 55 per cent of all jobs that will be created by year 2000.

Through this bill we do not even have an indication of whether the government will in fact put in some adjustment policies, some transitional policies that will help those who are already in the marketplace or in the work field to move over. Nor does it have an indication that it is willing to contribute to the education of tomorrow's citizens, today's young people.

For those reasons we cannot support this bill.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, I am glad to have a chance to speak on Bill C-61. This is the borrowing bill; not boring but borrowing. The government has asked permission to borrow $24.7 billion. Of course it has already told us in the budget how it is going to spend it.

The government has told us it is going to be trying to hold down the national debt by cutting back on payments to provinces, by cutting back on all kinds of services to people, and by cutting back on basic things like health, education and the legal services that people need to defend themselves in the courts against questionable legislation.

The government's argument is that it has to cut back because there is a big national debt and a deficit every year and we are paying all this money on the debt. What it does not tell us is that year by year it has been allowing the richest individuals in the country and the richest, biggest corporations in the country to get away with little or no tax. If these corporations and individuals paid tax even at the rate they did say 20 years ago, we would have more money in the government's coffers to spend than we are spending now and no debt.

It is a con game that the government is playing, to say it has to borrow more money and at the same time it has to cut back on the services that the big majority of the Canadian people need to use like education and health.

I have just a few examples of corporations that make plenty of money but pay no tax. Leading off, there is privatized Air Canada. In 1989 it made $231 million and paid no tax. There is Bramalea, one of the real estate development companies in the metro Toronto area.

The cost of shelter has gone up outrageously in Toronto and the Toronto area for the last two or three decades. It is really shameful how people are being forced out of town by the price of housing, and it is largely because of the near-monopolization of land and what can be built on the land by companies like Bramalea and not only their monopolization of land but their pipeline into the taxpayers' pocket through their tax exemptions. In 1989 Bramalea made $123.1 million before tax and paid no tax.

Canadian Pacific Hotels is a rich, rich corporation. It was given land to build the railroad and run a railroad for the company. Now it is crying poor. It has cut out passenger service on many lines. It has even even cut out whole lines. It is too poor because it hived off the land as separate projects such as CP Hotels. It made $46.9 million in 1989 and it paid what? It paid $2.1 million tax or about 4 per cent, just a pittance compared to the percentage that every working person and many retired people and unemployed people have to pay.

In 1989 Confederation Life Insurance made $103.1 million before tax and paid no tax.

Hemlo Gold Mines, we read about it in the financial pages of *The Globe and Mail*. It is doing pretty well with $54 million profit before tax and no tax paid. In fact it got a tax rebate. It got $1.9 million given to it from the taxes paid by people who earn much, much less than it does.

Power Financial Corporation, the big shot from Quebec, married to the premier of Quebec, $209.2 million before tax. It did pay a little tax. It paid 3.3 per cent. That is ridiculous.

Tridel Enterprises, another of the outfits that is inflating land price and forcing people out of their homes or forcing people to go to food banks because they have paid it all in their rent, made $79.4 million before tax and paid no tax.

I could go on with dozens and dozens more, but that is not what I want to do. I want to point out some of the taxes that used to be paid and are no longer paid. The big one is the capital gains tax. Anybody can get $100,000 tax-free on capital gains once in his lifetime and even after the $100,000 only three-quarters of the gains would be taxed. Almost all of that goes to the rich. At least half of the capital gains goes to the top 1 per cent of the people in this country.

The Prime Minister said years ago: "We need more rich people". He is certainly making them rich by taking the taxes from the poor and giving them to the rich.

There is the business entertainment tax, which is also another $1 billion taken from the taxes of the poor for the rich. There used to be a tax on inheritance, a tax on wealth. There is not any more, and yet there again the bottom 40 per cent of Canada's families own virtually no wealth. In other words, almost half the people in Canada have no wealth that they own. The top 5 per cent of people in Canada own half, 50 per cent, of the wealth of this country. They control the lives of most of the other people in this country. Yet the revenue they get from their wealth is often untaxed and the wealth itself pays no tax. Australia is about the only other industrialized country that does not charge any wealth tax.

• (1850)

When this government cries poor, and says: "We can't give so much to the universities. We can't give so much to health. We have to reduce what we are paying to the public assistance in the provinces", the provinces have to take up the slack because the government has cut people off unemployment insurance through its legislation.

This government says it cannot afford to pay the share that years ago it promised to pay. It is absolutely false. The only thing it needs to do is restore the tax system that we used to have 20 years ago and it would be able to pay all these things and have money left over.

My party will not be voting for this borrowing bill. We have to make a protest against the way this government is deceiving the Canadian people and robbing them.

The Acting Speaker (Mr. Paproski): I recognize the hon. member for South Shore on a point of order.

Mr. McCreath: Mr. Speaker, there have been consultations and an agreement has been reached not to see the clock until the hon. member for Ottawa West has completed her remarks, at which time the question will be put with the vote deferred until tomorrow afternoon at six o'clock.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I do not imagine that that motion gives me unlimited time tonight to speak as long as I want. I will respect the normal time limit on speeches.

However, as I was sitting here preparing to speak on a bill that authorizes the borrowing of $24 billion, I was thinking, what are we going to do with that money? What are we creating? I tend to think often in terms of what are we creating for our children.

I think this country, our history, everything we have achieved has been based on having an eye on the future, constantly having a vision of where we are heading, what we hope to accomplish, where our place is in the world. It started long ago at the time of Confederation when we had this crazy and wonderful dream that somehow this handful of people living in the eastern part of the north half of the North American continent could create a country that would eventually spread from the Atlantic to the Pacific oceans and to the Arctic Ocean.

It seemed like an unachievable dream but people believed in it and they started investing in it because they knew what it could mean for the future. They saw the expanse of a continent with vast resources, tremendous natural beauty and all kinds of potential.

We invested in a transportation system. Later we invested in a communications network. Still later we started investing in a social network so that the people who lived in the various climates of this country, the various parts of Canada, could share opportunities together and could have a sense of belonging because somehow different though we were, far from each other as we were, we all shared a common purpose as a nation. We all shared a common commitment to our future together.

When I was leaving high school, it was a wonderful time to be leaving high school. No young person coming out of school, whether they were going on to university or starting to work, really had to wonder whether they were going to be able to get a job and earn an income. The opportunities were there in Canada at that time, lots of opportunities.

Yet we are at a time now where when I talk to my constituents, when I listen to them on the telephone, when I go to meetings and I talk casually to people in a shopping centre on a Saturday afternoon, what do I hear? I hear fear, I hear despair, I hear cynicism, I hear anger. Mostly I hear fear, fear about whether we are going to have a future, fear about whether there will be opportunities for our children, fear about whether we are going to be able to breathe the air that protects our earth, fear about whether we can trust our elected representatives and our political leaders to manage our resources wisely so that for the next 125 years, as for the past 125, Canadians can believe in the future, can believe in equality, can believe in sharing and can believe in opportunities for all our children.

This budget, perhaps more than any other, feeds that sense of fear because it really turns a blind eye to the main concerns of Canadians and to the main challenges that confront us in the next year. It turns a blind eye to the more than 1.5 million Canadians who are unemployed, to another 2.5 million who are living on social assistance and to all the spouses and children of those individuals who are also caught in that trap of no hope and no fulfilment through employment in our society.

I talked to seniors which I met in my constituency office last Friday afternoon who are worried that now that the co–op program has been cancelled, the co–operative they built together for themselves half a dozen years ago will somehow be deprived of subsidies and that they will not be able to afford to live in the housing that they built under the co–operative housing program.

I see that the spending on social housing is going to be limited to an increase which may be lower than the rate of inflation and indeed their fears about whether they can continue to live in the housing that they built themselves may indeed be valid.

I see words being used that do not really describe the situation. I see what I can best call duplicity in this budget. People are concerned about the environment. The government knows this is one of the main concerns of Canadians. It also knows it is one of our main economic opportunities to create a special area of Canadian expertise in the global marketplace. Yet we have the green plan that was going to be the government's great contribution to saving the environment and suddenly the expenditures for that program are being re–profiled. Now you can re–profile upward or you can re–profile downward. Why does the government not simply say honestly: "We are not putting the money into the green plan because we do not believe in it. It was a nice little public relation gesture but if it is going to cost us money we are not going to invest in the environment".

That is another area where our children wonder what is their future. Are they going to have clean water they can drink? Are they going to have woods they can walk in? Are they going to have air they can breathe? Are they going to have land we can grow our food on?

We have the cancellation of a whole group of agencies that have provided an important public role by monitoring, not the short-term objectives of government but what the long-term objectives for the nation should be.

The cancellation of the Science Council of Canada, the Economic Council, the Law Reform Commission, the Pay Research Bureau are the destruction of institutions that make an invaluable contribution. Government members can get up as often as they want and say: "Knowledge is the key to our future. Our human resources and investing in our people are the key to our future". They then cancel and obliterate those bodies that keep us on track investing in research and development, in ensuring we are establishing a healthy economy, in ensuring that we are investing in the training that we need, in ensuring that our laws continue to protect the rights of Canadians.

If those kinds of institutions which allow us to work for the future and plan for the future are not longer there, then we really are back to decision making based on tomorrow's poll or next week's election. That is not what Canadians are counting on us for in this House.

That is not what the next generation is counting on us for. They want us investing in training. They want us investing in knowledge so that in the near future we will not have 35 per cent of our young children not even finishing high school and we will not have 15 per cent of our population illiterate and not even able to function in a modern society in normal day to day living.

Yet we have had continual cutbacks in training budgets by the government. We have had continual cutbacks in funding to education—

The Acting Speaker (Mr. Paproski): Pursuant to order made earlier today I will now put the question to the House.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

Pursuant to order made earlier today a recorded division on the proposed motion stands deferred until 6 p.m. tomorrow.

It being seven o'clock p.m., pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

THE ENVIRONMENT

MOTION TO ESTABLISH A NATIONAL WATER TREATMENT PROGRAM

Mr. Jean-Robert Gauthier (Ottawa—Vanier) moved:

That, in the opinion of this House, the government should consider the advisability of developing, in co-operation with the provinces, regional municipalities and other municipalities, a national water treatment, waste water treatment and storm sewer program to ensure a more secure and healthy environment for Canadians.

He said: Mr. Speaker, the motion I present today, which was seconded by the hon. member for Northumberland—for which my profound thanks—was tabled on May 15, 1991. Its purpose is to develop, in co-operation with the provinces, regional municipalities and other municipalities, a national water treatment, waste water treatment and storm sewer program to ensure a more secure and healthy environment for Canadians.

Mr. Speaker, I have tabled the same motion in every session since 1987, because I believe the problem is a serious one and deserves our undivided attention. I read yesterday in *Le Droit* that the provincial premiers meeting in Toronto were asking for a similar program which they felt would bring the country out of this recession.

I am very pleased this item was also on the agenda today at the First Ministers' Conference on the Economy, and I hope the federal government will stop shirking its responsibility in this respect.

The Liberal Party has for many years recognized the urgency of dealing with the problems of municipal infrastructure. On September 22, 1988, Mr. John Turner, leader of the Liberal Party of Canada at the time and Leader of the Official Opposition, promised that the Liberal government would implement a national program to rebuild municipal infrastructure.

On January 31, 1992, our present leader, Mr. Chrétien, reconfirmed this commitment. He promised federal subsidies totalling $1 billion. Nearly two-thirds of the jobs created as a result of this decision would be in the construction and industrial sectors, while 90 per cent of the materials used in construction would be Canadian made.

Mr. Speaker, studies have shown that a federal investment of $1 billion in infrastructure, considering the additional tax revenues and the savings in unemployment insurance and welfare, would represent a net cost to Canada of only $300 million. Mr. Chrétien said at the time that the initial investment of $1 billion would take advantage of lower debt charges as a result of falling interest rates.

[*English*]

Everybody agrees that such an infrastructure program would be of benefit to Canada. Pat MacMahon, the director of the Federation of Canadian Municipalities and Mayor of Yellowknife is reported as saying in the *Toronto Star* of December 18, 1991 and I quote:

> The key to kick-starting the economy is to get unemployed blue and white collar workers on a job, paying taxes and spending again. The reality is that this country's municipal infrastructure is crumbling. The money would not only finance job creation but make the municipalities more attractive to business and residents.

Doug Peters, executive vice-president and chief economist for the Toronto-Dominion Bank said, and I quote from the *Toronto Star* of December 18, 1991:

> It's a hell of a good idea. These kinds of programs have had a high job content and very little waste in the past.

George Saba, chief economist for Montreal Trust said in the *Toronto Star* of December 18, 1991 that public spending at the local level is an attractive proposal because, and I quote Mr. Saba:

> We're not spending to consume, we're spending to invest.

The Canadian Labour Congress also supported the program. It said:

> Anything that stimulates job growth and gives our domestic market some security after the ravages of free trade will help.

[*Translation*]

Mr. Michel Rivard, president of the executive committee of the Quebec City urban community, said and I quote:

> Every day, 500,000 litres of waste water are dumped into the St. Lawrence, 51 metric tonnes of suspended waste. The total amount dumped daily is three times the volume of the Quebec City coliseum or the volume of 15,000 garbage trucks.

Mr. Speaker, this testimony was heard by the Liberal committee on infrastructure in Canada.

Does this make any sense at all, at a time when in Canada we are spending million of dollars to clean up our waterways? We are spending million of dollars to clean up rivers like the St. Lawrence, while obsolete or simply non-existent infrastructure is polluting our waterways.

In my own riding of Ottawa—Vanier, Mr. Claude Laviolette, director of public works with the city of Vanier, said that it would take $600,000 a year for five years to repair the widespread deterioration of our highway system that has taken place during the past five years. This while Vanier already invested $300,000 in 1991 and the same amount again in 1992. Like most local municipalities, the city of Vanier has already spent its total budget for snow removal this year and will have to reduce amounts that would normally have been earmarked for rehabilitation of aging infrastructure.

According to Mr. Léo Goyer, who acts as commissioner for the Department of Environmental Services in Ottawa—Carleton, the region will have to spend $285 million over the next 10 years to maintain its infrastructure and protect the environment for our water supply. It will spend almost as much—$200 million during the same period—on waste water treatment. A municipal infrastructure program would allow the region to ease the substantial tax increases taxpayers have faced in recent years. This increase has doubled the cost of water in the last 10 years. The sewer surcharge has gone from 5 per cent to 106 per cent in the past four or five years.

According to Mr. Goyer, the RMOC has lost ground on the prevention front and a tripartite federal–provincial–municipal program would help slow the deterioration.

My city, Ottawa, for its part must spend $830 million to rebuild its outdated infrastructure. For lack of federal aid, the city of Ottawa will need 20 to 35 years to rebuild its roads, sidewalks and sewers. It will take 20 years to redo an essential project for separating the storm and sanitary sewers in downtown Ottawa. These costs do not even include normal system maintenance.

• (1910)

In a letter he sent to me on October 25, 1988, then–Mayor Durrell of Ottawa wrote:

> The never–ending discussions to find who is responsible, like those to date with the federal government, only make matters worse. The federal government has already helped municipalities, so it knew about the state of urban infrastructure. However, the situation has never been as urgent as it is today.

Mr. Speaker, the municipal infrastructure program is of the utmost importance. If we want to leave a healthy environment for our children and the generations that will come after us, we must act quickly. Canada's highway system, an investment of over $100 billion, is now threatened by inadequate funding.

In Ontario, 138 of 371 sewage treatment plants do not meet provincial standards. In Newfoundland, more than 48,000 homes do not have adequate water and sewage services and 80 per cent of the population drinks improperly treated water.

In 1986, Canadians spent more than $80 million for bottled drinking water. It is unbelievable that in Canada, the richest country in drinking water, we spent $80 million to buy bottled water!

As the Liberal report on Canadian infrastructure indicates, this is hardly a surprise when we know that the residents of many Canadian regions cannot eat fish from the lakes and rivers that supply their drinking water, because that fish poses a threat to their health.

What about the beaches, right here in the capital, which are closed to bathers during the summer because of too much pollution caused by sewage? We can think of Mooney's Bay, Westboro Beach, Constance Bay, Britannia Beach and many others which are completely closed because of water pollution.

In Ottawa, there have been many cases of ground water contamination, not from septic tanks, but from municipal dumps where household and industrial rubbish are buried. During the degradation process of the rubbish, some liquids leak and eventually, through gravity, contaminate ground water. Worse still, in some cases drinking water is contaminated by highly polluting industrial rubbish such as polychlorinated biphenyls, shellac, solvents, as well as heavy metals.

The federal government is certainly aware of the problem since, as I said last week, it contributed to polluting our water by pouring toxic products in it. Therefore, Mr. Speaker, pollution is not only an issue of municipal jurisdiction. It is a national issue and we have to do something about it.

In a report entitled "A Green Plan for a Green Canada", a committee composed of representatives from aboriginal organizations and groups for the protection of the environment wrote: "The federal government has had a great influence on the evolution of Canadian cities. It must continue to play a role and make those cities more pleasant by participating in the solution of problems such as air and water pollution, as well as the elimination of waste. The federal responsibility as regards the protection of Canadians' health is in itself sufficient justification for the government to be a leader and to take energic action."

The contribution of the federal government in the development of infrastructure is not something new. The main contribution of the federal government in the development of water and water treatment systems was made through the Canadian Mortgage and Housing Corporation in 1961 and ended in 1980 with the program for community equipment such as main sewers, water supply systems, aqueducts, and all those things.

At that time I was parliamentary secretary for the urban affairs minister and I can tell you that the program was very well received. It also created jobs here in Canada and made an important contribution to municipalities by helping them meet their needs for drinking water.

In my opinion, the allegations made by the President of the Treasury Board, and even by the Deputy Prime Minister, to the effect that the federal government does not have to get involved in municipal infrastructure is false. The federal government has been involved in the past and it must again face its responsibilities.

The municipal governments alone are not responsible for water resources and roads; these are a social responsibility of all levels of government. If a municipality does not have the funds needed to set up sewage treatment plants, it will dump its waste water into our lakes and rivers, as many municipalities now do. In fact, only two thirds of Canadians are connected to sewage treatment facilities. Who suffers? Everyone, the surrounding cities, towns and villages, the provinces, the federal government that tries to clean up our rivers. Ironically, Mr. Speaker, our cities, towns and villages still allow sewage to go untreated into our rivers. We suffer and future generations will suffer as a result.

Can we continue to neglect such a precious resource as pure drinking water? The provinces, municipalities, environmentalists, economists—everyone agrees that a municipal infrastructure program is essential. Not only would it help improve the quality of life for Canadians and clean up the environment for future generations but we trust that it would give hope to the 1.4 million unemployed Canadians, according to the statistics for February 1992, and perhaps provide work as well for the 2.3 million on welfare. According to figures I obtained, in March 1991, 2.3 million people collected welfare benefits.

So, Mr. Speaker, we absolutely must have a national program to help municipalities set up water purification systems to preserve water quality. The sewage infrastructure may be invisible in many cases, but the results are not. However, in many municipalities, the infrastructure is a hundred years old and needs to be restored.

In a debate not long ago here in this House, I said that even in Ottawa, there were still wooden sewer pipes. Imagine! They won't last long, Mr. Speaker. We must act.

At a time when the environment dominates Canadians' thinking and influences their everyday action, how can we afford not to have more efficient infrastructure for a healthier environment?

As with any other environmental problem, the solution lies at the bottom of the problem. Let us therefore start at the grass roots and give cities, towns and villages adequate municipal infrastructure for a healthier, cleaner environment. Many municipalities have outdated infrastructure that does not even meet government standards. For lack of financial resources and government programs, they cannot make the required improvements.

The Federation of Canadian Municipalities, a recognized leader in the movement to solve the very serious crisis that we are going through, said in 1988 that over $15 billion would have to be invested in Canada's sewers and roads. Three years later, the total is now $20 billion and will keep on growing if the problem is not solved as soon as possible.

Mr. Speaker, that is why it is important to act now. The motion that I present to you gives the government an opportunity to act. I therefore call on the government to follow through on this proposal and give Canada an appropriate municipal infrastructure for water and sewage treatment so that we can leave our children a healthy, beautiful, clean country.

[*English*]

Ms. Barbara Greene (Don Valley North): Mr. Speaker, this motion urges the establishment of a national waste water treatment and storm water program, purportedly to ensure a more secure and healthy environment for Canadians. It reflects the concern of many Canadians about the quality of their drinking water, the health of our rivers and lakes, and the state of disrepair of the infrastructure in some of our cities and towns. Indeed, some Canadian municipalities are now facing an $8 billion to $10 billion bill to shore up crumbling water and sewer treatment and delivery systems.

However, is a national program the answer to this dilemma? Absolutely not. I think such a program would be fiscally irresponsible. It would not encourage municipal accountability to their taxpayers. It would not reward municipalities that have practised prudent management of their infrastructure and it would not encourage conservation and careful treatment of one of our most valuable natural resources.

• (1920)

The jurisdiction for municipal infrastructure is quite clear. It is provincial. This is one of the most basic provincial responsibilities and one that should not be interfered with at a time when all levels of government are trying to rationalize and streamline governmental programs.

As well, any such new initiative would be totally inconsistent with the federal government's own imperative of deficit reduction. However, this does not mean that the federal government has no interest in a fiscally sound solution to the infrastructure problem. The federal government, in fact, has come up with a realistic and permanent solution in its federal water policy—realistic water pricing.

Realistic water pricing would make users conscious of the real value of the resource and delivery systems and would reduce the demand on those systems. It would encourage efficiency through improved technology and lead to water conservation. Indeed, provinces should prepare timetables and require municipalities to submit plans to bring their water and pollution control systems up to standard.

The Canadian municipal water industry is large and diversified. One indicator of its size is that the industry pumps over five billion cubic metres of water through its systems every year. What is too often forgotten is that there is a return trip for this water and a substantial and costly job of cleaning up the water through sewage treatment. This is a major industry in its own right, generating $3 billion in annual revenues. It serves municipalities of all sizes and types in every area of the country.

Since water is produced to potable standards, this industry has heavy responsibilities in the public health area. It delivers service around the clock at bargain basement prices, an average of about 60 cents per cubic metre as of 1991. Because the industry is so well run it rarely reaches the public spotlight. But believe me, there is no more important industry in the country or one that touches more Canadians' everyday lives and yet the municipal water industry is currently beset with problems. Perhaps the most serious of these involves insufficient money to repair, upgrade and expand its physical plant to assure its long-term viability.

Why should these problems have arisen? It is because the industry has catered to our every wish for water servicing, giving us all the water we want and at the prices we want. This is the key to answering why the industry has such financial difficulties.

These issues lie at the centre of the private member's motion. They deserve our careful consideration in assessing the options available to reach a solution.

First of all, let us begin with the stated policy of this government. The green plan and the federal water policy both support the user-pay principle for water servicing. The water policy states this in terms of using realistic pricing to meet the full cost of supplying water and treating the resulting waste.

The federal government has consistently declined to co-sponsor a general financing program for repairing, upgrading and expanding water systems. Instead, the federal water policy maintains that there should be much more emphasis placed on demand-side measures to improve municipal water management.

These measures include more effective pricing arrangements for water servicing, better public education, the adoption of universal metering and much more research and development of new equipment and new management methods.

I know that in my municipality in the city of North York, when we changed our water pricing from a bulk discount to a flat rate for everybody, we had enormous changes with major manufacturers where they suddenly put in recycling equipment and practised conservation. Throughout this country there are many municipalities that do not even have water meters on every home and business in their particular municipality. These are simply measures that are no longer acceptable in this day and age. So the issue of water pricing is a crucial one. It both explains why the Canadian industry is financially non-viable at the present time and offers the solution to the problem.

Municipal water services are extremely cheap in Canada today. The average residence pays under $20 per month to have water delivered through the public system and the waste removed. This is less than the monthly cost of cable television.

I ask you, which is more important? Put another way, as mentioned already, a cubic metre of water, which is the amount an average residence uses daily, costs about 60 cents. This, incidentally, includes charges for sewage treatment. For the sake of comparison, a soft drink of similar quantity costs about $800.

In earlier years the senior levels of government contributed heavily to the cost of water infrastructure. The federal government alone contributed about $2 billion between 1961 and 1978. Because of its deficit reduction program and also because of efforts at fiscal disentanglement, it stopped this program in 1980. The provinces are now faced with major commitments of their own and are coming to the same conclusion; that is, if user-pay makes sense anywhere it is in the area of municipal infrastructure.

This leads to the conclusion that such funding will have to come from local sources in the future, primarily through user-pay pricing policies.

It is the role of the federal government to encourage resource managers to manage their resources wisely, not to fund infrastructure. Let us look in more detail at the economic issues involved and how local government can handle this problem.

It is estimated that the backlog of work required for water system renovation is in the neighbourhood of $10 billion. This money is required to put Canada's water infrastructure into adequate shape to meet the requirements of the future. Major areas requiring work are the Great Lakes basin and St. Lawrence River basin, the lower Fraser basin and much of the Atlantic provinces.

We know that municipalities have annual water rate revenues totalling about $3 billion nation-wide. For Ontario alone this total is $1.3 billion. We also know that water bills, on average, are below $20 per month, less than the cost of a case of beer.

If municipalities were to double their water prices, imposing no onerous burden on users, the additional revenue raised would fall somewhere between $2 billion and $2.5 billion annually. Even if one subtracts a small loss of revenue due to the resulting conservation efforts and rationalization of water demand, the revenue raising capability of such a move would still be enormous.

A connection to the infrastructure financing problem is clear: A doubling of water rates would, in the aggregate, raise sufficient funds to self-finance within five years the requirements of water infrastructure renovation.

These are average figures. There would be variations from community to community. Since the job is so big, it would take a decade or more to carry out.

Some municipalities could start quickly, others would take years to get going, others have already done this. In any event, governments would want to phase in this renovation over the long term rather than generate a cost-exploding boom.

Many benefits would accrue from user-pay pricing for water services. Decreased demands would occur automatically and would lower over the long run the capital needs for expanding systems. Increased local expenditures on properly financed infrastructure renewal would put the country back to work. A user-pay approach would also target specific local needs and increase efficiency significantly.

The problem with general funding programs is that they may cross-subsidize richer communities at the expense of poorer ones, and large users at the expense of small and often lower income ones.

On a more general level, there is little doubt that where resource prices reflect the true costs of developing or obtaining resource supplies, societies become more efficient. For example, nations which passed along the full cost of energy price hikes in the 1970s are now the most well-off in terms of the GNP and other aggregate measures. Countries which protect the consumers from the full impact have deteriorated with respect to their international economic position. Thus, resource evaluation policies have a direct effect on economic advancement.

Exactly the same factors work with respect to water supplies. The full-cost, user-pay pricing forms one element of enhancing Canada's competitiveness.

• (1930)

It is undeniable that user-pay pricing holds the key to a renewed municipal water industry. General funding programs in effect perpetuate the economic inadequa-

cies of the current system. We need to promote more efficient resource use and improve management methods in the industry. User-pay pricing presents a major opportunity to achieve this.

This is the federal role, and within it the federal government is encouraging water resource management agencies at the local level to institute appropriate water conservation and sustainable programs through the development and demonstration of these options.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, first of all I want to congratulate the member for Ottawa—Vanier for his motion, it is a noteworthy one. We must be persistent in this area of municipal infrastructure. He has tackled it in a creative way by isolating water from the whole area of municipal infrastructure, which I certainly endorse.

However, I am also quite realistic. If this is ever to happen I suggest that when the federal government does come onside—and it would certainly appear from the previous member's statement that this government is not prepared to get involved in a big way, although I understand there may have been a positive announcement earlier today. I have no details of that. I believe it pertains to the highway system in this country. I would salute such an initiative.

Nevertheless, isolating the water and isolating the roadways are both positive initiatives. However, I hope that anything that will be done will be under a tripartite agreement among the three levels of government. I do not believe that any one level can afford to decide what must be done for the communities and for the infrastructure of this country.

It is absolutely imperative that we all participate because the price tag has risen from $12 billion to $15 billion and now to $20 billion and everyone is still saying: "We can't afford to do it." When will we be able to afford to do it? We could not afford to do it in good times. We cannot afford to do it in bad times. There are no other times available to us.

In the meantime the infrastructure of the country is crumbling beneath us. I will give some examples later on.

I would like to quote an individual by the name of Don Gamble. He says: "Water is to Canadians as the Alps are to the Swiss, something that transcends the resource. It is so much a part of how Canadians see themselves. We are a land of rivers and lakes. Our history is built on it". The previous speaker said: "Well, it is your water, but we sure as heck want to charge you for it".

Marjorie Lamb asks: "Will our great-grandchildren be able to drink the water we use to hose down the dog?" That is an interesting statement because I read that 100 municipalities in this country pour raw sewage into the waterways. What a damnable statistic to even quote. I am poetic today. I have been reminded of the line: "water water everywhere". However, there may not be anything to drink and that must be a concern.

This jurisdictional argument has to stop because, as the government says, there is only one taxpayer. Surely this issue demands that all three levels participate on an issue that is important to all Canadians.

The government talks about a prosperity agenda and competitiveness. If we are to become competitive and there is indeed prosperity around the corner, for which we all wish so very much, will our infrastructure be able to accommodate this new prosperity if our bridges, our roadways, our sewer systems and our water resources are not capable of handling the new economy which we hope will burgeon? Of course, we are still waiting.

How serious is it? Japan, and I do not want to follow everything that Japan does, has embarked on a municipal infrastructure renewal to the tune of a trillion dollars. It recognizes that it is going to have to address this problem now. Japan is not waiting and saying: "Well it is not our responsibility, it must be somebody else's".

The Federation of Canadian Municipalities has been lobbying and has spoken loud and clear for years and years and years on this issue.

Parties from time to time have come onside and said: "Yes, we endorse it". The Liberal Party did support municipal infrastructure until the early eighties. It did so in an *ad hoc* way. It would participate in individual programs but never participated in a national agenda, which is now absolutely essential. It too dropped out of that scene even on an *ad hoc* basis. This federal government has basically dropped out of it completely.

One of the ministers, I have forgotten who it was, said: "We don't get much of a bang for our buck. If we participate in municipal infrastructure we don't get the credit that perhaps we are deserving of for the money we put in". FCM has been extremely persistent, it tabled a report just a month ago.

I would like to add that just about everybody is for this. They are in favour of it. For heaven's sake even Matthew Barrett, the president of the Bank of Montreal, said: "Let's reduce the interest rates, let's take those hundreds of millions of dollars from that and invest it in the infrastructure". He is an unlikely individual to come forward and make a statement like that. We salute him, we salute the premiers, we salute the provincial governments and we salute the 1,200 plus municipalities across the country that are saying that we have to address this problem. It would appear that the only people that are not onside is this government.

The previous speaker talked about the deficit. We are for deficit reduction. All studies exaggerate sometimes, but we can cut it off somewhere in the middle. It says: "Tax revenues generated by this public works project would limit the effect on the accumulated national debt to a little more than $400 million over five years. At the same time, 63,000 jobs would be created for each year of the program". Money well spent.

FCM made a commitment to seven basic principles. I am sure the member for Ottawa—Vanier knows that the first principle was the need for access to clean water for all Canadians. It lists water as number one.

I have a whole series of clippings and I would like to cite a few. Paradise, Newfoundland is a town of 4,000 people, 10 minutes from St. John's. Only 20 per cent of Paradise is serviced with water and sewer: "We require about $8 million from government to provide full servicing and we received $50,000". It is the same for towns throughout Newfoundland: Pouch Cove, Portugal Cove, Bell Island, Paradise, Conception Bay South, Conception Harbour, Collier's and Marysvale. They do not have potable drinking water.

We will go from Newfoundland to the north. We will go from coast to coast. In Yellowknife: "Massive decay is not unique to old cities or to large ones. In the late 1940s in Yellowknife, the federal government installed a corrugated metal sewer system lined with moss for insulation. In the early 1980s work crews dug down to the pipes and found nothing left but a gelatinous tube of moss through which sewage still flowed".

That is another point that we should point out. Much of our infrastructure was built in the 1940s. The life of most infrastructure is 20 to 25 years. It is 50 years later and it is not being replaced. The cost of maintenance is much more costly than replacement. Studies have shown that it will cost us 10 times as much if we ignore the maintenance of our infrastructure system.

In Halifax and Dartmouth raw waste streams through clay and brick sewers straight into the harbour, as it has for 100 years. Winnipeg needs $145 million to improve preventive maintenance at its sewage facility.

My own community says: "We need $15 million a year to take care of our infrastructure. Our community invests $5 million". It cannot afford to do anything else. I think most communities are in the same position. Our major employer cannot pay its taxes.

How could a member get up and say: "It's up to the cities, increase their user-pays. Let us have user-pay for everything including water, our greatest resource". Perhaps this government wants to sell it. I wonder if it will charge them the user-pay fee it might want to charge Canadians and it is our own water. Again I salute the member for Ottawa—Vanier. I think it is a very noteworthy motion and I hope the government is listening.

• (1940)

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, first I want congratulate my colleague from Ottawa—Vanier for his motion. It is extremely timely, especially in light of the fact that health and health issues have been identified by Canadians as priority issues.

The motion deals with the question of water and water quality but I just want to shift a little bit from that to talk about a task force which I co-chaired with my colleague from Nepean. Last year with the help of my colleague from Ottawa—Vanier and other colleagues in our Liberal caucus, we travelled across Canada to meet with people who are at the municipal level and dealing with the issue up close.

I want to tell you this. When we came back, we prepared a report that clearly makes the case for federal assistance. We were in certain parts of Nova Scotia where raw sewage is being dumped directly into the ocean. As well, in some parts of Canada they have no infrastructure whatsoever. For instance in certain parts of Newfoundland, in fact in the vast majority of Newfoundland, sewage treatment plants simply do not exist at all.

From town to town, from city to city, day after day, we heard the same story from officials, that unless they get some sort of federal assistance, there is no way they will be able to rely on the local tax base to update their infrastructure. Why I say infrastructure is because we have run-off coming as a result of deficiencies in the existing systems that takes rain and whatever residues that might fall into sewage systems and takes it directly into the sewage treatment plants before it is sent back to the rivers. The messier the sewer system is, the more difficult it is for us to treat it and as the result of that there is cost involved. Unless we do quality work at that end, when it comes to water purification and water treatment, we are going to pay the cost.

I do not have to reiterate and make the case all over again for the need for federal government funds in the area of infrastructure. I think the Leader of the Opposition has made the case very well when he committed our party to put funds toward infrastructure. He has committed the Liberal Party to enter into a partnership with the provinces and the municipalities in the area of infrastructure simply because our party recognized the fact that with that kind of partnership you not only help the municipalities, you deal with the problem. At the same time you encourage economic growth, you encourage economic development and you create jobs, you generate revenues, you activate the economies and you collect more taxes. Every dollar you put in, I could assure you that probably you get another dollar at the other end in terms of revenues from different sources.

We have to look at the whole issue as an investment rather than looking at it as expenditures. There are things we have to consider as expenditures, but there are others things we have to look at as investment. Certainly putting money into infrastructure is an investment.

When my colleague from Ottawa—Vanier addresses the question of water, he is certainly recognizing full well the fact that a series of other things have to take place as well.

I want to commend him because as I indicated earlier, it is a timely motion. Being a member of this House from this region, the member recognizes the fact that there are deficiencies in our Ottawa-Carleton region. I want to list the different water facilities in our region and bring to the attention of the House the cost to maintain those facilities and bring them up to date.

For example, the Ottawa-Carleton region with a population of approximately 600,000 has a few facilities, one of which is called the Britannia Water Filtration Plant. This facility is currently under construction at a cost of $33.5 million. This facility is required in order to increase production capability from 225 million litres per day to 360 million litres per day so that the tremendous needs of the community can be met.

We have another plant, the Lemieux Island Filtration Plant, which is 50 years old. We have to retrofit this plant immediately at a cost of $37 million.

Also, at the present time the Ottawa-Carleton region is studying the water filtration plant process modifications in order to maintain state-of-the-art treated water quality. These modifications will cost the region approximately $23 million and will provide for potential deterioration of raw water quality and anticipated enhanced provincial standards.

As a result of provincial government direction to this region, water filtration plant waste water disposal will be required. That particular project will cost this region $38 million.

In order to sustain development in our region in the major growth areas of Orleans, Hazeldean, and Barrhaven, additional reservoir and pumping facilities costing approximately $40 million must be undertaken within the next few years. In a region with a population of approximately 600,000 people the need is now in excess of $172 million. That is not the total cost.

Mr. Speaker, I would like to bring to your attention that completion of sewage treatment facilities for this region is going to cost in excess of $400 million.

Every time work is to be done on a sewage treatment plant or on water facilities, it is necessary to go to the source of the problem and that is the sewage system itself. When you have water run-off and raw sewage, you have to separate the systems so they will be easier to deal with at the end of the day. That particular project will cost in excess of $1 billion at both the regional and municipal levels.

The reason I bring those issues to your attention, Mr. Speaker, is that day after day our municipalities are faced with tremendous pressure to provide services that otherwise should be provided by the provincial or federal government. To that extent, when we consider water purification, the need for water purification plants and the need for federal funding for water purification plants across our country, the hon. member for Ottawa—Vanier knows full well that water if not properly treated is going to affect the health of the nation.

Knowing full well that health is everybody's business, federally, provincially, as well as municipally, it is only fair for the federal government to recognize its role and responsibility to provide services in the area.

Having heard the eloquent presentation of my colleagues in the House of Commons, it seems there is a tremendous consensus on this issue.

• (1950)

In conclusion I would like to ask this House for its unanimous approval of the motion as presented by my colleague from Ottawa—Vanier and I would like to commend him on his excellent work in the area.

[*Translation*]

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, I would say that the motion the hon. member for Ottawa—Vanier has put before this House today is very well-intentioned. He wants Canadians to have access to good quality drinking water supplies. I think that no one can object to such a wish, as formulated by the hon. member for Ottawa—Vanier.

However, what I am somewhat more reluctant about, especially after the speech he made, is his approach. He wants the federal government, as heavily in debt as it is—everybody knows that Canada's national debt of Canada, the federal debt has now reached $400 billion—to take a whip and flog itself some more by increasing spending on something that is outside its jurisdiction.

I think that the Canadian people, including the hon. member for Ottawa—Vanier, know full well that water purification—because the motion he has put to us is indeed about water purification or water treatment—is primarily a municipal responsibility. Whether you live in Quebec, in Ontario or in any other Canadian province, with the exception of Indian reservations, this responsibility is entirely, primarily and directly incumbent upon the municipal authorities. Water purification, be it in Shawinigan, in the municipality of Saint-Georges-de-Champlain, in my riding, or in the city of Ottawa or the city of Vanier, for that matter, is a municipal responsibility.

Over and above that level of government, the provinces have responsibilities too, because municipalities are an arm of the provincial government. Take for instance a case I am familiar with, Mr. Speaker, that of Quebec. In that province, we have an organization called the *Société québécoise d'assainissement des eaux* which has been operating in Quebec since the 1970s. It is responsible for carrying out, in conjunction with the municipalities, cities, towns and parishes of the province, an extensive water purification program.

As a matter of fact, Mr. Speaker, come to think of it, that organization has nearly completed what it had set out to do. It was responsible for building new water treatment systems in most of Quebec's regions, and in most cases it did. For instance, in Montreal, vast water treatment systems were built by the city, in co-operation with the Quebec government.

In my region, in the electoral district of Saint-Maurice, the same procedure was followed in many cases. About 10 years ago, the town of Grand'Mère and the *Société québécoise d'assainissement des eaux* were involved in building one of these systems, which is now being paid for by taxpayers. Next door, Shawinigan will be doing this shortly. They have been waiting for about 10 years, but now money is available from the Government of Quebec and the municipalities of Shawinigan and Shawinigan South. It means that taxpayers in Shawinigan and Shawinigan South, thanks to up to 90 per cent funding by the *Société québécoise d'assainissement des eaux*, will be able to deal with local water treatment problems.

However, the hon. member for Ottawa—Vanier would like to have a pan-Canadian water treatment company in addition to the municipal authorities and the *Société québécoise d'assainissement des eaux.* Mr. Speaker, I think we already have more than enough overlap and that Canadian municipalities also have the authority to tax their residents. When they want to do construction, build an arena or repair sewer or water mains, every Canadian municipality has that authority. The Quebec government can provide assistance, and I imagine the same is true in other provinces.

So why are the Liberals again tabling a motion to get the federal government to spend even more money, a government that already has far more debt than the provinces or the municipalities? Why should we get the federal government deeper into debt and make it harder for this government to do what it already does, instead of letting the municipalities and provincial governments take care of this?

A while ago, the member for Ottawa—Vanier shocked us by saying we should be crying because in Ottawa, imagine, in Ottawa, our nation's capital there are still wooden sewer pipes. I think we could find the same in many Canadian towns. However, discovering a problem is very different from wanting to solve it.

If there are still sewer pipes made of wood in Ottawa, it does not concern the federal government in any way. Although, for this city, it is somewhat of a habit to call upon the federal government. As you know, Mr. Speaker, Ottawa is privileged compared to the average Canadian city. I know the member for Ottawa—Vanier will not be pleased when hearing this but Ottawa's infrastructure is paid in part by Canadian taxpayers, through the National Capital Commission which invests millions and millions of dollars in embellishing and improving the city. In Shawinigan, there is no national capital commission for Shawinigan to bolster the city's budget by picking the pockets of Canadian taxpayers.

That's why I think the member for Ottawa—Vanier should find another reason for us to cry about Ottawa's fate because it is the only city in Canada which can enjoy a face-lift paid for by all Canadians. In fact, I have nothing against that. Ottawa is our national capital and it is probably an essential part of the federal government's role to take on some of the capital's responsibilities. We should however stay within reasonable limits. There are citizens here in Ottawa, Mr. Speaker, there are Ottawa taxpayers and they must bear their share of the burden.

If some sewer pipes burst this evening in Ottawa, the city must look into it and pay for the necessary repairs out of its own municipal budget. To use the Canadian taxpayers' money for such a purpose is next to indecent.

The member for Ottawa—Vanier brought up another very important subject; the drinking of bottled waters of all sorts in Canada. He mentioned a total of $80 million, and he is right. But you should compare that with the situation in Scandinavian countries—Sweden, Finland and Norway—where the same phenomenon exists, Mr. Speaker.

The truth is that, according to very precise studies, the quality of bottled water in Canada in no better than the quality of municipal tap water. People don't believe that, but this is what studies show. Without exception, studies done by provincial governments show that tap water in most Canadian cities is of the same quality as bottled water, and in some instances even better.

So when he says that because Canadians spend $80 million on bottled water we should commit billions of dollars of the taxpayers' money to solve that problem, I say it ispsychological more than anything else.

I would go even further, Mr. Speaker. Canadian lakes have waters of excellent quality. We have people who specialize in bottling water of good quality, but despite that Canadians prefer water imported from France like Perrier or Evian. They are the two best sellers in Canada, not Monclair or any other Canadian water. Canadians, when they want to drink water, go for imported water when we have huge reserves of high quality drinking water.

In my opinion, that is a false problem that the hon. member for Ottawa—Vanier wants to raise with us. It is probably the big habit of the Liberal Party of Canada to seek to abolish all municipal and provincial governments and to bring all powers to the federal government, as Mr. Clyde Wells would have liked at a certain point, that is a unitary state where Ottawa would take care of everything.

We must still have municipal powers, and powers mean responsibilities. Municipal governments should take their responsibilities and provincial governments should take theirs. I think that, despite the good intentions of my friend, the hon. member for Ottawa—Vanier, his proposal cannot be accepted in view of the circumstances since the Liberal Party of Canada would like again Ottawa to take over a problem which is not its responsibility. God knows, and on that I would agree with Him, that here in Ottawa, we have enough problems, responsibilities and jurisdictions, particularly on the national unity issue. We should deal most of all with federal problems and let provinces and municipalities solve theirs.

[*English*]

The Acting Speaker (Mr. Paproski): There is one minute left.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I laud the member opposite for bringing his concern forward. I also had the opportunity in committee to hear his proposal. I am not going to have the opportunity to speak to it at great length, but of course municipal infrastructure is very important to our country.

I also laud the House of Commons and the government. In many ways they are looking at conservation and the environment.

The Acting Speaker (Mr. Paproski): 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.

[*Translation*]

It being 8 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 8 p. m.

HOUSE OF COMMONS

Thursday, March 26, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

DRYDEN AIR CRASH

FINAL REPORT OF COMMISSION OF INQUIRY

Hon. Shirley Martin (Minister of State (Transport)): Madam Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the final report of the Commission of Inquiry into the Air Ontario crash at Dryden, Ontario, and the Minister of Transport's initial response to the recommendations of this final report.

* * *

• (1010)

CANADIAN HUMAN RIGHTS COMMISSION

ANNUAL REPORT

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Pursuant to section 61 of the Canadian Human Rights Act and Standing Order 32(2), I have the honour on behalf of the Minister of Justice to table the annual report of the Canadian Human Rights Commission for the year 1991.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

PETITIONS

UNEMPLOYMENT INSURANCE ACT

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my honour and privilege to present a petition on behalf of a number of railway employees from western Canada. They point out that railway employees who are suspended for accidental violation of the Canadian rail operating rules are currently being unjustly penalized under sections 28 and 30 of the Unemployment Insurance Act.

They are asking Parliament to take immediate steps to indicate specifically that accidental violation of the Canadian rail operating rules does not constitute employee misconduct under sections 28 and 30 of the Unemployment Insurance Act and are asking us to take immediate steps to rectify this very serious situation.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): On another matter, Madam Speaker, the petitioners are from British Columbia and simply indicate their opposition to any plan to divert a fresh water river from Canada into the United States and northern Mexico as presently being planned on the North Thompson River.

REFUGEES

Mr. Dan Heap (Trinity—Spadina): It is my honour and duty to present a petition from a number of residents of Quebec, from the City of Quebec, Sillery, Gatineau, St-Jean-Chrysostôme, and also from Ottawa, who are concerned for the families of people who have come to Canada and have been declared to be refugees. Their concern is because of the damage done in the separation of the families for several years.

Therefore, they ask Parliament to urge the minister of immigration to issue minister's permits for spouses and dependent children of refugee claimants who have been permitted to apply for landing from within Canada, including persons in the backlog and persons accepted under the new legislation, and to allow them to be reunited in Canada for inland processing.

FOREIGN DOMESTIC WORKERS PROGRAM

Mr. Dan Heap (Trinity—Spadina): I also have another petition from residents of West Lorne, Ottawa, Chatham, Quebec City, Val Thérèse, Nepean, Thornhill, North Bay, Belleville and from Grand Falls, Newfoundland. These petitioners are concerned for the status of foreign domestic workers under the government's program.

They call on Parliament to urge the minister of immigration to give foreign domestic workers the option not to live in the homes of their employers outside working hours, that work experience should take precedence over any formal training, that domestic work be recognized as an occupation needed in Canada, and that the necessary points be awarded toward permanent resident status.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I ask that all questions be allowed to stand.

Madam Deputy Speaker: Shall the questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—HEALTH CARE

Mr. Jim Karpoff (Surrey North) moved:

That this House express its concern at the threat to Canada's health care system expressed by the stated intention of the Liberal premiers of the provinces of Quebec, New Brunswick and Newfoundland to forgo universality and embrace user and deterrent fees for health services.

Mr. Riis: Madam Speaker, on a point of order, in a process which is often used now on opposition days, I want to announce to you that the first speaking time for the New Democratic Party will be shared between the members for Surrey North and for Saskatoon—Clark's Crossing.

They will each have a 10-minute presentation followed by a five-minute question and comment period.

Mr. Karpoff: Madam Speaker, I rise to lead off the debate on this motion.

Canada has a reputation world-wide for one of the best health care systems, not only because of the quality of health care, but also the fact that it covers all of our citizens regardless of their financial means.

However, Canada's health care system is under a tremendous amount of pressure and is in grave difficulty because it is being attacked from a number of sources.

First of all, we do have a serious problem in the very quick escalation of costs. Health care costs are rising because of a number of factors.

New technologies particularly built into institutions are very, very expensive. Many of these new technologies have not been proven, but we still embrace them because we want to make sure that we keep up with the latest in technology.

There has been far too heavy an emphasis on acute care hospitals simply because of the way our health care system was developed. We are beginning to realize that providing more hospital beds and putting more people in hospitals is not the way to improve health.

Drug prices are escalating dramatically. The highest and most rapid increase in all our health care in the last number of years has been through an increase in drug prices. This has continued and has been made more difficult because of the government's stand with Bill C-22 and the extending of patents to multinational drug companies. It has increased our drug costs 30 per cent.

It is not accidental that the person who is the spokesperson for the multinational drug companies is Judy Erola, the former Liberal consumer affairs minister. There is the person who was responsible for protecting consumers in this country, and now she is the person who is the front for the multinational drug companies. It is like the shepherd becoming the front for the wolves.

We have pressures because of increased costs around physicians services. There is a growing recognition in this country that we have trained too many doctors and that the doctors are poorly distributed.

Therefore, we have on the one hand pressures because of escalating costs. On the other hand, we have the federal government reneging on its responsibilities to share with the provinces the cost of health care.

This government and the previous Liberal government have systematically off-loaded on to the provinces. By the turn of the century, $64 billion will have been cut from health care and health care transfer payments to the provinces by the federal government.

These cuts started in 1977 when the Liberals abandoned the concept of 50/50 cost sharing and forced the provinces to block funding. Even after block funding was put in place, it is the Liberals who started the off-loading with their six and five program and with the revenue guarantee withdrawal.

• (1020)

The western provinces this year will be losing $2.4 billion in transfer payments from the federal government. Out of that, $738 million or one-third will be as a direct result of the cumulative effect of the Liberal cutbacks in the early 1980s.

In the province of Ontario the operating deficit this year will be $5.4 billion. It would have been only $1.8 billion if it had not been for the offloading of the federal government. The province of British Columbia has a deficit of approximately $1.7 billion in this current year, of which $1.1 billion is the direct result of the offloading by the federal government. This year alone, all of the provinces will lose close to $9 billion. The money the British Columbia government will lose over the next period of time amounts to $6.8 billion, of which $2.6 billion is the direct result of the cuts initiated by the Liberals in the early 1980s.

It is all very nice for the Liberals to stand up and condemn the present government, as they well should, for its decision to abandon its responsibility in shared programs with the provinces, but it is hypocritical when one looks at the fact that one-third of all of the cutbacks are the responsibility of previous Liberal administrations. They are not the responsibility of this current government. It simply learned from the Liberals and now do it with more oomph.

What we have in Canada is two way pressure on our health system; escalating costs and reduction of funding from the federal government.

There is no question that we have to undertake restructuring in our health care system to provide more community based services and to provide more preventable programs. We must do so within principles that are accepted by the Canadian public, principles of universality, accessibility, public administration and the fact that there will not be user or deterrent fees.

What we have seen over the last several months is Liberal administrations, Liberal premiers, one after another, advocating the introduction of user and deterrent fees.

Clyde Wells has stated: "We may have to look at the whole principle of universality in our social programs and look at the extent we might have to limit universality". Frank McKenna again has called for the introduction of user fees and expresses the point that he does not see why we should not be able to introduce "some modest deductibility", as he said, which is a euphemism for user fees.

We have both Mr. Côté and Mr. Remillard of the province of Quebec calling for the introduction of user fees and for the federal government to change the health act to allow it. We have them introducing legislation to allow user fees in acute care hospitals. The only other major politicians advocating user fees are Preston Manning and the Reform Party. They clearly are on the same wave length as the Liberals premiers. Preston Manning has said very clearly that he does not think we can pay 100 per cent of the bills for 100 per cent of the people. That is going to result in a two-tiered health care system, and will mean that the affordability of health care is going to be taken away from the poor.

I would like to close by contrasting what the Liberal premiers have been proposing with the stand taken by New Democratic administrations. I would like to quote the statement of finance minister Glenn Clark of the province of British Columbia, speaking on behalf of all NDP administrations in this country. He said:

> All three NDP administrations will be leading the attack on the federal government if Ottawa tries to water down the Canada Health Act to allow those other provinces to impose user fees. At a time

when our health care system is in crisis, we cannot abandon our principles.

This House must reconfirm our commitment to the principles of medicare, to universality, to accessibility, to the prohibition of user fees and deterrent fees. We must reject clearly the solutions being proposed by Liberal premiers.

Mr. Howard Crosby (Halifax West): Madam Speaker, let me begin by giving a warning to the Canadian public. Anybody who thought that this was going to be about Canada's health care system, forget it. This is going to be a debate about political advantage. This is going to be another instance in the House of Commons where the New Democratic Party is going to show its holier than thou attitude. "We sit on the sidelines and criticize".

It was not the socialists of Canada that created the health care system. It was the Right Hon. John G. Diefenbaker who introduced hospital care. It was successive Liberal governments that fostered the health care system and I give them credit for that. We have reached a stage where we cannot carry on with the current hospital and health care system.

The abuse within the health care system has created a situation where we cannot afford to progress. The reason is there are no caps. There are no caps internally, there are no caps externally; the health care system is running itself. As responsible government, as responsible persons, we have to step in and ensure that we can fund the health care system.

We will hear the members of the New Democratic Party describe the level of service in Canada. Health services have declined in Canada for the last five years. Anybody will attest to that fact. There are line-ups in hospital emergency sections, it is difficult to book surgery and so on. So we have to do something. For anybody to stand and say that we must continue the attitudes, the concepts and the principles on which our health care system is based is nuts.

Let me talk about universality. How can we continue the concept of universality? It was a concept designed to avoid things like means testing systems and so on. Now it is starting to destroy the system because universality, the principle which the New Democratic Party mentioned, is affecting accessibility. We cannot have them both unless we are willing to unleash millions and billions of public and taxpayers' dollars. Responsibility dictates that we cannot do that. Let us hear the New Democratic Party come up with some real solutions to the problems.

Mr. Karpoff: Mr. Speaker, one of the things that is very obvious is that the Tories have completely abandoned the Prime Minister when he said that universal social programs were a sacred trust.

The member stands up now and says that the Tory party no longer believes in universality. Universality must be protected because it ensures that the weakest are eligible for service. We cannot maintain the principles and develop alternatives within our health care system to allow for the continuation. The minister of health—and I must say he has been steadfast on this, under great pressure from even his own province—had the foresight to say that there will be no user fees. We will not allow those Liberal administrations to introduce user fees. Although the minister talks a good principle, unfortunately he is part of a government that is cutting back on resources of the provinces to be able to meet those principles and to be able to meet those standards.

• (1030)

I want to talk a bit about Established Programs Financing. The government always tries to pretend that it controls it because of the escalating costs. The transfer payments to the provinces under Established Programs Financing had nothing to do with the costs. They were based on the growth in the gross national productivity of this country. In other words as the wealth of the country increased the transfer payments increased. That is the only way they increased except with the addition of population.

This government has said that in spite of the fact we have an increase in our growth of productivity, increase in our ability to pay, ability being based on the increase in the economy, we are going to slash our transfer payments arbitrarily and cut back on the formula for transfer payments.

That is what has happened. It is not that there has been a slowdown up until the last year or two in the economy as much as the fact that this government has simply said that it is not going to meet its responsibilities for a cost shared program. It is going to break its responsibilities for a joint partnership with the provinces.

[*Translation*]

Madam Deputy Speaker: The five-minute period for questions and comments has already expired. We now begin the second ten-minute period of debate. I therefore give the floor to the hon. member for Saskatoon—Clark's Crossing.

[*English*]

Mr. Flis: Madam Speaker, I rise on a point of order. I know the 20-minute period has been cut down to 10, but I understood that after each speaker there would be a 5-minute question and answer period.

Madam Deputy Speaker: It was held. There was a question from the hon. member for Halifax West and there was an answer. As both the question and answer were long, the five minutes have expired.

Mr. Flis: I apologize, Madam Speaker.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, it is important that Canadians know where the various political parties across this country stand on health care. It is important because Canadians rightly view their health care system as an indicator of how society is organized and how it reflects our concern for those who are less well off.

What we have done in Canada, to Canada's credit and in fact with the participation of all the political parties, is institute a health care system which is the pride of Canada and the envy of the world. We have managed to develop a health care system which ensures that nobody fears for their home, for their security, or for their family in the event that they get sick. It provides for a system in which they are provided with health care services to the extent that they need them when that need arises.

That is an important indicator of how Canada and Canadians feel about addressing issues and concerns of people who are in adversity.

It is also important that all political parties stand and be accounted for with regard to their view on health care. We have seen over the last few years cuts by the Progressive Conservative government into the support services, the financial support to the provinces to maintain their health care systems. In doing so, the present government built upon cuts which were instituted by the Liberal governments before it.

At the federal level we have seen both Conservative and Liberal governments cutting financial assistance to our health care system, in a sense pushing the costs of health care further to the provinces and in the end building pressure as we have seen for user fees and deterrent fees for Canadians themselves to be forced to pay some of the costs.

It is important at this time in our history to know that Liberal premiers of Quebec, New Brunswick and Newfoundland have been arguing for, pushing for, and asking for the right to institute user fees and deterrent fees. At a time when Canadians are buffeted by a recession, by increasingly high unemployment rates, and by tough, tough times, these Liberal premiers are pushing a further burden and a further worry on to Canadians citizens by telling them that they want to institute user fees for health care, that they want to institute deterrent fees for health care.

We all know—and the studies show it clearly—that the institution of user fees in the health care system would, as Mr. Justice Emmett Hall, the well-known Canadian expert on health care indicated, simply deter the poor and have no effect on the demands of those in the middle and high income categories.

In other words, if we institute user fees it is a direct attack on those in Canada who are less able to support themselves and less able to access the services that they need.

Pushing for user fees is a direct attack on the rights of those Canadians who are less able to fund the services they need in times of health problems.

In Canada we essentially have a conspiracy against our health care system in which we have the Reform Party, the Conservative Party and the Liberal Party ganging up on health care and ganging up on the right of Canadian citizens to access health care free of charge, paid for through the tax system but free to them at the time at which they access those services, free to them at the time when they most need it, and free to them at the time when they are most desperate.

At the beginning of this month we had Preston Manning of the Reform Party arguing that we should do away with the universal aspects of medicare. He said that we should charge people for hospital services and institute user fees.

We have, then, the Reform Party arguing for user fees. We have resolutions passed at Conservative Party conventions arguing for the institution of user fees. We have the former minister of health, the member for Provencher, arguing for user fees in discussions in Manitoba. We have important elements of the government arguing for an end to universality and institution of user fees. We heard just a minute ago from the member for Halifax

West indeed pursuing that argument, arguing for the end to universality.

As I have mentioned, we have heard clear statements from the premier of Quebec, from the minister of health in Quebec and from the minister of finance in Quebec that it is time Quebec be permitted to institute user fees. What the Quebec government should be doing clearly is protecting Quebec citizens from financial ruin in the event of the need to access health care. It should not be loading a further financial burden on them when they become sick.

When Dr. Augustin Roy, head of the Quebec Corporation of Physicians, was faced with the suggestion that the Quebec government wanted to institute user fees, he said that it would be the end of the Canadian dream of free universal and accessible health care. "It is only a matter of time", he said, "before a two-tier system emerges: one for the rich and one for the poor".

That is what this issue is about. It is a question of whether or not Canadian political parties are standing up for a health care system which is the same for everyone, or whether we are looking for one which is privileged for the rich and less accessible and more expensive for the poor.

The Liberal premiers of Quebec, New Brunswick and Newfoundland have clearly chosen that we should go toward a system which is two-tiered: one for the rich and one for the poor. We in the New Democratic Party and Canadians as a whole refute that suggestion complete, entirely and without any question.

This is not an issue which is debatable to Canadians. Canadians are proud of their health care system. It serves them well. It is unbecoming for the Liberal Party to attack medicare, to attack the very health care system which has served Canada so well. It is also unbecoming for the Reform Party to attack medicare and pretend that it does not want to undermine universality, when quite clearly it does and when quite clearly the leader of the Reform Party has made it plain on a number of occasions that that is his and his party's wish.

• (1040)

We have significant elements of the Conservative caucus and the Conservative Party, both at conventions and in caucus meetings, for example the Alberta caucus of the Conservative Party, arguing for user fees. We have important parts of the government side arguing for the institution of user fees too. What we have here is a gang-up of parties which represent the rich and the elite in Canada. The Conservative Party, the Liberal Party and the Reform Party are ganging up on our health care system, which is something that Canadians quite clearly do not want.

As all Canadians know, at the time of Tommy Douglas and the CCF in Saskatchewan in 1962, the New Democratic Party instituted the health care system in Saskatchewan, ran it without any financial support from the federal government, and argued and pushed for it right through the federal system so that in the end it was introduced by the Lester Pearson government.

The New Democratic Party, the CCF, has been committed to health care from the beginning, remains committed to health care, and will continue to be committed to health care. It is unfortunate that neither the Liberal Party nor the Conservative Party can maintain that commitment.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I hope you saw the halo around the head of the member for Saskatoon—Clark's Crossing when he was speaking. Unfortunately the NDP has never learned how to put motions on the Order Paper.

We could have had an excellent debate today had the New Democrats learned how to table a motion. They make an important issue like Canada's health care a partisan issue. Here they are attacking three Liberal premiers and immediately it turns into a partisan debate, not a debate around our health care system.

I would like to ask the hon. member why the NDP motion did not include the fact that the premiers of British Columbia, Saskatchewan and Ontario, the NDP premiers of those three provinces, are closing health centres, are closing beds, and are laying off health care personnel, with nurses going to the United States. Three

NDP premiers have already broken the universality. Why was that not included in the NDP motion?

Mr. Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, the member raises an important issue. He asks us why we would want to make this a partisan issue.

It is quite clear that there is one party only which speaks for health care in this country, one party that speaks for the interests of Canadians in health care. In my province of Saskatchewan, for example, it is the case that some hospitals are going to be closed. The population is changing and it is necessary to reassess how we deliver those services. But it is not necessary to reassess whether or not we are opposed to user fees, whether or not we are opposed to deterrent fees. Canadians are opposed to them. Liberal premiers should be opposed to them. The Liberal Party should be opposed to them. Members on the government side should be opposed to them but they are not; they are arguing for user fees.

The member may be upset that this becomes somewhat a partisan issue, but it is clear the New Democratic premiers and the New Democratic Party federally are supportive of a universal, accessible health care system. We will never accept user fees and deterrent fees, unlike the premiers of Quebec, Newfoundland and New Brunswick.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, I am used to being surprised by the NDP, but my surprise today is something different. I understand that it is always defending what is best for everybody.

However, if the NDP wants a political debate, that is fine. Canadians have a lot of questions about their health care system. Many times I said with regard to user fees and the great principles of the system that we stand on those principles. I said that last week and again yesterday. I stated publicly in terms of user fees that I was opposed and that so far I believe there is no contradiction.

What surprises me is today they are coming with something where they are concerned about the provinces. I am wondering why they do not go to Quebec, New Brunswick and Newfoundland and ask the legislatures to pass something they want. Instead, they raise the question in the House.

My own perception is there is a vast and strong majority of members of Parliament who agree with that. If they want a political debate, that is fine. I believe that it is typical of the NDP, create a problem when we know that the problem is not there. They want to be the defenders of the system. We already are. They created it and we continue it.

I do not understand. I would like to emphasize again that if they want to make a political debate, that is fine, but this is not the place when it concerns the provinces. I stand on what I said, but they will not prevent Canadians asking questions about their system. They are worried.

We saw the premiers yesterday. Even NDP premiers, I can say, maybe not officially, are worried about that. When we have a $13 billion deficit, we worry about a lot of things in the system.

I say that if Canadians ask questions about the system, that is fine, but why do my friends raise that question here today when the question is not relevant to the kind of statement I made? I believe this has been the government stand since the beginning.

Mr. Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, first of all perhaps I could thank the minister for his statements opposed to user fees, consistently arguing against user fees under some pressure, I am sure, from his own colleagues and from his own province. I think it is important that the health minister for Canada argues strongly for the Canada Health Act and the provisions of that health act. This motion, as the minister will know, is not criticizing the minister's position on this question.

I think it is important for Canadians to know where the political parties in this country stand on health care. It is one of the issues that they will be addressing when they go to the polls at the next election. It is important that they know that Liberal premiers across this country are saying we should have user fees when Canadians do not want them, that there are significant segments within the Conservative Party arguing for user fees when Canadians do not want them and that the Reform Party is arguing for user fees too.

Each of those parties is undermining the universality and the accessibility of our health care system. It is important that Canadians understand that. It is important that Canadians know that the New Democratic Party stands for a universally accessible program and will not ever give into user fees or deterrent fees.

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, I am delighted to rise and speak to this debate. Certainly, I have spoken on this issue a number of times. I would like to now bring to this Chamber my thoughts.

On March 19, 1991, barely a year and a week ago today, I stood here on behalf of the Liberal caucus asking that this House reaffirm its commitment to medicare. My request was quite simple: "That this House, with all its members, reaffirm its commitment to medicare", which underlines the Liberal commitment to universal medicare. The government, led by the then former minister of health, voted the motion down.

How about the NDP? My hon. friend from Surrey North who brought forward the motion today turned to the then health minister during debate and said: "I must say that for once I agree with the minister. There is no question that this motion", referring to my motion, "is being put forward facetiously by the Liberals in the hope that the government will vote against it". In truth, I never brought forward a motion of dubious intent. I ask if the member for Surrey North can make the same claim today.

• (1050)

I note that this motion put before us asks:

> That this House express its concern at the threat to Canada's health care system expressed by the stated intention of the Liberal premiers of the provinces of Quebec, New Brunswick and Newfoundland to forgo universality and embrace user and deterrent fees.

This is one of the most ill placed, illogical, underhanded attacks on the Liberal Party that I have ever seen, but I will not dwell on that, nor on the ethics of the member from Surrey North who introduced this motion.

I will speak to the real problems of the health care system: the cuts, the limits in transfer payments, particularly cash transfer payments by the federal Conservative government and the need for solutions.

Every province in this country is fighting to provide adequate health care. Last night's national news carried the stories on the efforts of British Columbia, Saskatchewan and New Brunswick to reform their health care systems, but even reforms come at a cost.

New Brunswick will close 300 to 400 hospital beds and turn three hospitals into out patient health centres; 250 health care professionals will lose their jobs. Hospital boards will be dissolved.

These reforms are a bitter pill to swallow for this province which was left a legacy of user fees and health care troubles by the Conservative government before it. During the New Brunswick throne speech last month, New Brunswick committed itself to severe restructuring, but it was not without bitterness toward the federal government. Health Minister Russell King said he told the federal health minister that his province and others are having a hard time keeping up with health costs when Ottawa continues to cut back on transfer payments.

Nonetheless, New Brunswick bit the bullet. Its premier and health minister are trying very hard to manage costs without jeopardizing national standards. Can we not give them credit for this instead of calling the minister a threat to universality? I say what absolute rubbish on the part of the New Democratic Party. What absolute hypocrisy, Madam Speaker.

I have closely watched the movements of the government and health department of British Columbia whose royal commission on health care has suggested innovative ways to cut costs and increase efficiency. Last night I saw examples of community-based health care at its finest in a special project in Victoria that aims to help seniors in their homes instead of bringing them into hospitals. I hope it will prove successful and be adopted in all regions of the country.

May I draw members' attention to the fact that all provinces, even so-called wealthy provinces like British Columbia and Ontario, run by New Democratic governments, have had to cut jobs and close beds because of cuts and limits in federal transfer payments. Regardless of political stripe, I applaud any effort by provinces to make health care reforms by trying not to sacrifice service and care. I think efforts like these deserve the approval and respect of this Parliament.

In Saskatchewan, run by a NDP government, hospitals are preparing for a $113 million cut in grants from the provincial government. Again, this is a bitter pill to swallow, but Saskatchewan cannot afford other options. Across the country, Ontario, Newfoundland, Nova Sco-

tia and Quebec, all provinces have been forced to cut and cut and cut again, but none of the provinces have compromised the Canada Health Act, and I am glad.

I admit I am concerned about the possibility of a $5 emergency room user fee in Quebec. I have made myself clear on this issue on several occasions in and out of this Chamber but thankfully health minister Marc-Yvan Côté of Quebec seems to be rethinking that controversial move. On Monday he announced that the fee would not be implemented.

I hope that 12 months from now our situation in Canada will be changed and no user fees will be introduced in this country.

This motion by the NDP has criticized, among others, Quebec, accusing it of intending to impose user fees. Is this criticism fair? I too will be concerned if the Quebec government proceeds with the application of user fees. But I did not pass judgment. The government of Quebec, in its 1989 report labelled, *Improving Health and Well-being in Quebec—Orientations* states and I quote: "Some of the advantages generally attributed to deterrent charges are mostly theoretical and this formula has major drawbacks that outweigh its advantages".

The report concludes and I quote: "Therefore, recourse to deterrent charges cannot be an acceptable source of financing and the department favours turning to alternate sources of revenue".

If only the New Democratic Party health critic had done his homework, had read this report, he would not be so quick to prejudge and impute ill intention to the Quebec government. This type of political cheap shot certainly detracts from national unity and does not serve to unite us to find solutions to our health care crisis in the country.

This brings me to the second part of my debate, changing our situation. With skyrocketing medical costs, reform of the system is inevitable. But it is reform through the size of a gun, a gun held by the federal government that we must question, through Bill C-69 and Bill C-20 which limit increases in transfer payments and provide penalties to provinces. The provinces have suffered unbearably.

In my own province of Manitoba, the hospital where I used to work, the Health Sciences Centre, has been forced to close over 120 beds and lay off 500 hospital staff. Health Minister Donald Orchard said he had no choice. That is a Tory health Minister in the province of Manitoba. He has been steadily reworking the health care system for the past year and a half.

Meanwhile in Newfoundland, Premier Clyde Wells points to blatant unfairness in the federal position. His province does not have the tax base to recoup lost cost transfer payments. His health care system has been slashed to the bone. Last year alone 438 acute care beds were eliminated and some 300 hospital nurses lost their jobs.

Waiting lines are longer. Hospitals have cut back services. In one case a pregnant woman in Port aux Basques, Newfoundland, had to travel to a full service hospital and spend a week in a hotel room at her own expense waiting for her labour to begin. Her own community hospital could not provide care for her due to budget cuts.

In Ontario, 35 nurses from the Children's Hospital of Eastern Ontario lost their jobs because the hospital said it could not pay their salaries. Ontario, with a rich tax base, is suffering from a double whammy of federal cuts and recessionary woes. Like Newfoundland, Manitoba, British Columbia, Saskatchewan and the rest of the provinces, drastic changes have become the order of the day.

Financial troubles sit like spectres beside every hospital bed in Canada, but our country is not alone in its struggle to service its citizens. There is trouble all over the world. Anyone with an eye on the American and British election campaigns will notice health is a hot topic. Health insurance and two-tiered systems have come up in speeches and advertising campaigns. For the United States, the push is for a national health care system. For Britain, the Labour Party is claiming the Conservatives have drifted too far from universal health care rules.

• (1100)

There is no question that health care is held dear not only by Canadians but also by people the world over. Healers from time immemorial have retained a special place in our social value system. They helped others realize good health. Anything that stands in the way of accessing proper care and medical guidance also stands in the way of good health. User fees are such a thing.

Our party brought medicare to Canadians as a concept in 1919 and delivered the Canada Health Act in 1984. My party and I do not believe in user fees. At our national convention last month we voted for universality. The New Democratic Party, with its selective memory, completely forgot about that.

It was not my party that called for user fees at the national convention. It was not my party executive who wrote to the finance minister asking that user fees or user pay become policy for the government. In fact, I am very proud that during a recent trip to Washington the leader of the Liberal Party defended medicare while others remained silent. Even the NDPers were silent. Did they come and join our forces? It was the Liberal leader who stood before all Americans and said that the Canadian health care system is the best.

What a hypocrisy on the part of the New Democratic Party.

Some hon. members: Where are they?

Mr. Pagtakhan: Nowhere to be found. If you do not believe that I, as Liberal health critic, have defended the Canada Health Act with every ounce of my strength then you must have been asleep for the past four years. Inside this House and beyond I have never ceased to protect our right of citizenship to our health care system.

I have articles here from *The Montreal Gazette*, the *North Times* in my constituency of Winnipeg North, *The Ottawa Citizen*, the *Winnipeg Free Press*, *The Globe and Mail*, *The Medical Post* and Saint John's *The Telegraph–Journal* all telling the country just how I feel on this issue. I will not belabour the point and quote them at this time. Anyone, particularly the member for Surrey North who brought this very unsavoury motion, can call my office and I will urgently deliver all these clippings.

Without question I believe and so do my colleagues, that user fees will block access to medical treatment for the poor. The need for user fees is unfounded and their collection calls for additional bureaucracy. Fees also tie up the time of doctors, nurses and administrators. They deter patients from seeking medical care, often delaying diagnosis until the illness is much more complicated to treat. I must emphasize that this has been proven over the past two decades by study after study after study that has been done both in and outside Canada.

I know the member for Surrey North will ride his old hobby–horse that it was the Liberals who first changed the method of cash transfers to the provinces followed by the Conservatives five times in eight years. But let me point out to the member that the Liberal Party is indeed a very dynamic party. We listen to the times and we propose initiatives. We commit ourselves and re–commit ourselves to the Liberal principle of universal medicare for all.

It is a party that has done the right thing at the right time for the right reasons, but would never have wreaked havoc upon the system with the same Tory pattern. I tell the member for Surrey North that one cannot get away with making that comparison.

Yale University political policy professor, Ted Marmor, was recently interviewed by journalist Frances Russell. He explained his surprise by the way the business community believes and our government is fighting the deficit, declining productivity and stagnation by cutting and privatizing the health care system.

He says: "The truth is opposite. Canada has managed to arrange broad health insurance coverage to its entire population, to deliver in general quite decent care, and to pay about 25 per cent less of its gross national product".

As well he pointed out that Canada holds down over–all costs without the gaps, ills, and despair prevalent in the American medical system.

Now I ask the hon. member for Surrey North whether it is not time to realize the Liberals are not the threat to medicare. We are not the enemy; we are the defenders. We want the federal government to reconfirm financial support. That should be our common goal, not wasting our time on facetious motions such as this one.

Everyone in this chamber knows the federal Conservatives are not prepared to back down from their stand on transfer payments. No amount of pressure from us or the provinces can make them see the damage they are inflicting on the provinces.

So our path is clear. We must bring down this government. Let us turn our attention and energy to this task, a task which may end in the resurrection and preservation of our medicare system.

In conclusion I move, seconded by the member for Eglinton—Lawrence:

> That the motion be amended by deleting the period and by adding the following:
>
> and implemented by the actions of the NDP premiers of Ontario, Saskatchewan and British Columbia to close health care centres, dismiss health care personnel and reduce health care services, all of which is a direct and inevitable result of the withdrawal of the federal government from its long-standing obligations to support health care in Canada.

Madam Deputy Speaker: I will reserve on this and come back to the House on the amendment moved by the hon. member for Winnipeg North, seconded by the hon. member for Eglinton—Lawrence.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I listened very carefully to my colleague from Winnipeg North with regard to the health care system. I do share some of his concerns and would like to ask him a question.

First, I want to reiterate that the minister of health and welfare has stood behind the Canada Health Act, has stood behind the five pillars, and his party certainly supports what is contained within the Canada Health Act.

It is very interesting that over the last few years there have been seven or eight—I know of seven—national studies done with regard to the health care system in Canada. All of these studies have said that it is not more money that is needed; it is indeed that we have to become more effective and more efficient.

This appears to be one area where, I believe it was Victoria took a lead with regard to a community hospital in servicing the constituents in the Victoria area outside the hospital and indeed lowering the costs. As more and more of us not only in this House but also all across the country get older it is going to increase some of the costs. Leaving that aside, we have to become more efficient and more effective.

I wonder if the hon. member has had any discussions with the health care minister in his province or with any other ministers across the country.

The minister of health and welfare has met three times in the last nine months that I know of, and perhaps more, discussing the national health care act and the effects of it on Canadians and the need for improvement. He has also made a commitment to meet with the health ministers and the finance ministers of the provinces within the next two months to discuss this particular issue.

• (1110)

Let us take a look at the ways to improve the efficiency and to improve the delivery. Let us get rid of the, if I may be so bold as to use the word misuses—I did not say abuses—within the system whether they be on the public's part, the institution's part, the medical profession's part, or the consumer's part. Let us be more interested and let us see how we can take the good system we have and improve it.

Mr. Pagtakhan: Madam Speaker, I am delighted to respond to those comments and questions.

First I would like to say that indeed we have been monitoring the health care system in the country. We have been in contact with the provinces. At the proper time we will let you know the results of those consultations.

In so far as the comment made by the hon. member about the misuse in the system is concerned, I have a document here. It is a study released in April 1991 by the National Health and Welfare Department of this government looking at the effectiveness of user fees.

It is clear that the cases of misuse and abuse that have happened in the system are few and far between and that is not the major problem confronting the system. We should lay to rest this myth. There has not been any abuse that could be documented to a great extent on the part of the providers of health care, doctors, nurses, and others, as well as on the part of the Canadian public, the consumers of health care.

We should respect and we should recognize the commitment of these people to deliver service and the responsibility and respect that Canadians have for the health care system. When Canadians go to see a doctor, when they go to visit a hospital, it is truly because patients need to be assured that they are healthy.

There is no doubt that the limits in transfer payments, the cuts in transfer payments, are causing problems. If there is a problem in a system akin to a patient with illness, one does not kill the patient first and then start to revive the patient in an attempt to cure the patient later.

If, as has been predicted by health economists, the federal Tory government in trying to cure the ills of the health care system first continues to withdraw, as has been predicted by health care economists, its contributions and obligations to cost share health care in this country to a substantial extent, we may not have a system to reform at the end.

I submit and I challenge the government, as we reform the system, to continue to provide the adequate and necessary financial resources the provinces at this time badly need.

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, of course I was pleased to second the amendment to the motion of my hon. colleague for Winnipeg North.

As will have been noticed over the course of this last hour, it was thanks to his intervention that we introduced an element of sanity and intelligence in the discussion. The Liberal caucus does take this debate seriously even though we were finally graced a few moments ago with a lone representative from the New Democratic Party that submitted the original motion.

We care about the issue. We have dealt with it on a continuous basis. I want to compliment the member for having laid out all of the principles of the issue itself.

There is a concern that I have in representing constituents from my riding in the Toronto area. In Ontario and specifically in Toronto an erosion of the health care system is seen. The erosion has been witnessed rather unfortunately by many of my constituents and many other citizens of both Toronto and Ontario generally in the last couple of years as the current government cuts back on the amount of expenditures and amount of commitment both in principle and in finances that it puts at the disposal of our health care system.

Perhaps part of that reason is that we are in a deep recession. I am being very kind, because statistics indicate that we are in a depression.

Economically speaking, and from a revenue side, from taxes, the population of the province of Ontario contributes annually approximately 45.7 per cent of all revenues that are drawn by this government.

Over the course of the last couple of years, because of the enormous negative impact of the recession on the economy of Ontario, we have seen a drop in manufacturing output by 13 per cent. We have seen a decrease of 23 per cent in employment in the manufacturing sector.

I do not want to talk about the other sectors just yet, but the net effect of all of that is that there has been less in terms of revenue available and there have been greater demands on the system.

How did the Government of Ontario respond? You will forgive me, I hope, for making this comment. I ask the indulgence of my colleague who has moved this amendment because I do not want to engage in a blatantly partisan debate. The fact of the matter is that what has happened is that the Government of Ontario, an NDP government, went from a surplus situation in the budget to increasing the deficit portion of its budget to $9 billion.

One would have thought, as a citizen of that great province, as a contributor in taxation to those provincial revenues, that the $9 billion would have been utilized in order to enhance the kind of systems that we in this House have established for all Canadians.

Medicare is one of those pillars of social stability. It is $9 billion from 1990 until this year. It is supposed to go up to about $11 billion. As a taxpaying constituent of that province, I look upon that government, that NDP government, that guardian, that saviour of medical social programs, and I ask, what did you do with my money?

My colleagues from the NDP in this House stand, bold faced with the hypocrisy that is unmitigated, and say to me as a constituent of the province of Ontario that the medicare program is being threatened by Liberal premiers in other provinces in Canada, knowing that in Ontario we contribute 45.7 per cent to general revenues in all of Canada, that we do have a base and we have a government in Ontario that is supposed to be the guardian of all those programs.

How can those members stand here before this House and insult the intelligence of all members by being absent when my colleague lays out all of the issues of the medicare program, or worse, impose upon this House a decision to debate—

Madam Deputy Speaker: I must interrupt the hon. member. The time for questions and comments has expired.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, I am delighted to have the opportunity to participate in this debate.

Let me say, in case there is the slightest bit of confusion anywhere, that this debate today is not about medicare. There is a need for a debate about medicare. There is a need for a serious, constructive and genuine debate about the future of health care delivery services in Canada. This debate today, initiated by the New Democratic Party on a so-called urgent basis, is not about medicare.

Seldom have I seen this. Let me make myself clear. In all parties we are all guilty, we should be honest enough to admit, on occasion of seeking partisan advantage, seeking to establish the ideas and policies of our opponents in less than a healthy light, seeking to propose that the policies and proposals of our own party be seen in the best possible light. That is part of the competitive political process. That is normal. That is healthy. That is what the British parliamentary adversarial system is all about. We are all guilty to a degree in political life or in any competitive venture, whatever it happens to be, of manoeuvring to the best advantage.

• (1120)

Even in an adversarial political environment, seldom, if ever, has Parliament seen such a hypocritical, self-serving, fundamentally dishonest motion as the motion put before the floor of this Parliament today. It is absolutely incredible. I pick up my news clipping service first thing in the morning, with my cup of coffee and my muffin which I should not have because my waste is expanding much quicker than my brain ever could as a consequence of reading this paper.

I pick up the paper and I read a big banner headline: "Saskatchewan cuts social spending". I quote the minister of finance for the NDP in Saskatchewan: "We are going to have to cut several hundred millions of dollars. We are going to have to look at every expenditure the government makes. We are doing that. We are looking at every program the government delivers to determine which programs we may be able to eliminate. Nothing is going to be sacred. We have a long way to go. We are determined to live within our means".

Let me get personal. I hope I have the indulgence of my wife for this. My wife is an employee of the Children's Hospital of Eastern Ontario. My family lives here in Ottawa because otherwise, like many MPs, I would not have a family life. My riding is so far away. My wife is a part-time employee, a term employee. My wife, along with many others in the intensive care unit of the Children's Hospital of Eastern Ontario, got her letter, compliments of the Government of Ontario, two days ago, advising her that she had been laid off.

Which government sent that letter? Which party is in power? The New Democratic Party of Ontario is in power. It sent my wife her letter telling her that due to cutbacks being imposed upon the Children's Hospital of Eastern Ontario, she, along with many others, would no longer be employed on the current basis on which she is employed at the Children's Hospital of Eastern Ontario.

When I see the New Democratic Party bleeding all over the rich green carpet of the House of Commons, holding in its ribs as it loses itself in grief and in turmoil, tantalized and tormented about the loss of health care services in Canada, and putting forward a motion alleging to want to save health care in Canada—a silly, vexatious, juvenile, hypocritical, false, transparent and foolish motion—I find myself moved to come to this Chamber and respond to this motion. I said in the beginning the motion is not about health care in this country; not at all, not in the least. It is a motion purely designed for the most transparent and despicable political motive. That is what it is, a motion which says this House condemns actions that may be taken by Liberal provinces.

How much more transparent can you get? How much more self-serving could a political party be? Frankly, lest I have not made myself clear, how much more stupid could a political party be? What an insult to the intelligence of Canadians. Does this party believe that all Canadians are somehow mushrooms—keep them in the dark and feed them some moist product from time to time and they will grow? Does it feel that Canadians are unable to see this transparent and despicable political move, that they will not see the game that is being played?

It is the second time this week I have seen this party engage in the most base kind of politics. Earlier this week, the constitutional critic for the New Democratic Party, who says he has spent the last year of his life, along with others, in the interest of Canada trying to keep this country together and united, trying to keep this country from severing into many pieces, stood up in the House and commented on a story that was in the news about RCMP break-ins, illegal break-ins, of the Parti Quebecois in Quebec.

Even though there has already been a royal commission of enquiry into that affair which has laid out all the facts before the people of Canada, which has said that the RCMP acted illegally and without the knowledge of the government of the day or the Cabinet of the day, in the interest of national unity, the NDP said: "Let us have a royal commission of enquiry into the royal commission of enquiry.".

The NDP was saying it should have received an award as best supporting actor of the Bloc Quebecois. The NDP was saying that in the interest of scoring cheap political points, it was prepared to tell the sovereignists of Quebec and the separatists in Quebec that about their worst nightmare, the notion that somehow a national government, any national government, is conspiring to spy on people; that any national government, Liberal, NDP or Conservative, would go out and engage in illegal activities is a valid assumption. The NDP attempted to validate the worst kind of nonsense about federalism in the interests of narrow, partisan political advantage. That is what it did and it should think about what that kind of statement does to this country. It should think about what that kind of gesture does to the glue—what little is left—that keeps this country together?

That is exactly what the NDP has done again today with this motion. It is pure hypocrisy. I come from Newfoundland and Labrador, one of the poorest provinces, if not the poorest, in Canada. Just as has happened in NDP Saskatchewan, NDP Ontario and NDP British Columbia, Newfoundland and Labrador has had health care cutbacks. I do not like it. Nobody in Newfoundland and Labrador likes it, and we have had those cutbacks because there has been a reduction of the transfer payments from the national government to the provinces for provision of health care in this country.

Does anyone know what the single biggest contributing factor to the continuing decline of health care in little old Newfoundland and Labrador is? The biggest single contributor to cutbacks in health care in the poorest provinces of Canada is the stalled economic engine in the province of Ontario. Who has their foot on the gas in the province of Ontario? Who has got the gear shift stuck in neutral in the province of Ontario? Who is running the wheels right off the car in the province of Ontario? Premier Bob Rae and his NDP administration.

I hope those members of the NDP, who have crawled out of this Chamber, who have gone to find cover out by the coffee machine, understand intrinsically in their heart of hearts that this base political motion today is indefensible. I hope they understand that the debate today is not about health care, as initiated by the New Democratic Party.

• (1130)

I am convinced there were members opposite who were embarrassed in their seats. They know that I speak absolutely the truth. Some of them are going to be forced to get to their feet and show what great hockey players they are, what great acolytes of Gretzky they are, as they try to stick-handle their way out of the embarrassing mess they have created today.

I hope at least one of them will come clean and admit that the country needs a discussion about health care. Those of us who believe in universality of health care need to pull like-minded people together. We need to ensure that our health care system survives, because it is one of the few benefits of Canadian citizenship that is constant across this land. It does not matter whether one lives in Newfoundland or Labrador or in Ontario. It does not matter whether one is rich or poor, whether one speaks English or French, or whether one is gentile or Jew. It does not matter whether one is black or white. As a condition of citizenship in this country one is offered the best service that can be provided, and it ought to remain that way. We are committed to that kind of universal access to our health care system.

However, we are not going to defend health care by playing political games. We are not going to defend health care by trying to shoot the messenger. The reason there have been cutbacks in Newfoundland is that money has been cut back for health care to Newfoundland, a Liberal government. The reason there have been cutbacks in Saskatchewan is that money has been cut back in the province of Saskatchewan, an NDP government. The reason there have been cutbacks in Nova Scotia is that money has been cut back in transfer payments to Nova Scotia, a Progressive Conservative government. The reason there were cutbacks in British Columbia before

the last election is that money was cut back in transfer payments to British Columbia, a Socred government.

It makes no difference the colour of the political stripe of the government in the respective province. If the money is not there it cannot be spent. The question is whether or not we collectively as a nation hold up as an important value and condition of citizenship the provision of quality accessible medical care in this country. That is what matters.

This important debate is something that ought to unite the country at a time when it is fractured. It is something that ought to pull us together at a time when a great deal pulls us apart. It is something that ought to appeal to those things we believe in rather than appeal to those things we oppose. Trying to turn this one little bit of crazy glue, if I can put it that way, that still keeps this country together into something for partisan advantage is a tragic mistake.

If the New Democrats retain one iota of that traditional sense of being able to rise above it all, to put aside the game of power, the outs being out and the ins being in and the outs trying to get back in, and to speak of values once again, if they can find even a last smidgen, a residue of that conviction in their now tortured political partisan souls, they will stand and apologize for this motion. They will withdraw this motion. They will say that they understand, as I do, that medicare is too important in the context of the current debate about unity in this country to be so tainted, to be so stained, to be so warped, to be so twisted, to be so used in the worst partisan way. They will withdraw this motion. They will apologize. They will cease and desist from these cheap partisan attacks.

I know that there is some discomfort for New Democrats in seeing their party go down in the polls consistently for the last number of months while the Liberal Party has gone up in the polls consistently for the last couple of months. But I want to tell my colleagues something. They should no more be alarmed at their consistently going down in the polls than I am taking any great joy in the fact that the Liberal Party has consistently gone up. The only election that counts is the one when the public decides at the next general election who is to occupy the seats in this place. It is wrong, short-sighted, unprincipled and unhelpful to have their actions, to have their so-called beliefs or to have their values jettisoned or dictated as a result of the latest opinion polls.

I say to my colleagues who sit to the left with whom I do not always agree: "Please put aside such transparent partisanship, such self-serving rhetoric, such nonsensical motions". I say to them: "Please find a residue of your heretofore souls, come to your senses and once again make a contribution, as little as it is, to serving Canada rather than contributing to its destruction".

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, the hon. member has put on his usual Wayne Gretzky performance of rhetoric and insult, but it is clear that his main object was to take people's attention away from the embarrassment—perhaps he feels an embarrassment or perhaps he does not; I will give him a chance to say so—of the fact that his premier stated an intention to change one of the fundamental principles of the health care system we have.

Mr. Tobin: Where is the quote?

Mr. Heap: He is putting forward the suggestion that we should consider user fees. User fees would be a fundamental attack on the universality and the public funding which are principles of the medicare system.

Instead of addressing that issue the hon. member has chosen to attack some of the NDP provinces for having announced cutbacks in the programs of certain hospitals and other medical facilities. I guess he is predicting that the third NDP province will in its budget.

Nobody is proud of lay-offs. No party, certainly in this House, advocates lay-offs for the sake of lay-offs. Whether it be the NDP governments of this country, the Liberal governments in the provinces of this country or Conservative led provinces of this country, the lay-offs in the health system are certainly a matter of regret. They are not in themselves an attack on the medicare system, nor are they an attack on the principle of universality. If there is less money, there is less money.

The Ontario government has had a greater reduction in federal social assistance payments than eight other of the provinces. Eight of them have been held at 50 per cent as the federal share, but Ontario has been cut to 31 per cent by the federal government. The only other one that has been cut below 50 per cent so far has been British Columbia. We have yet to hear from British Columbia.

Ontario has been cut by a very large amount of money by the federal government in some of the programs on which the Ontario government relies. That is the reason for the lay-offs.

Mr. Tobin: Question.

Mr. Heap: It would be the reason for the lay-offs in any other province as well.

I ask the hon. member, since he has been interrupting me with comments, to stand and explain the action of the premier of Newfoundland in his statements regarding fee for service, his statements suggesting that there should be better health care if the so-called rich were asked to pay more but without defining how far down the rich would go to introduce the idea of fee for service, or if any kind of payment other than out of the public purse for health care would endanger the health care for the large majority of people in Newfoundland as well as the large majority in Ontario.

I ask the hon. member to tell us where his premier stands.

• (1140)

Mr. Tobin: Madam Speaker, the member says I was interrupting him. Indeed I did, to say to him: "Where is the quote?" He is telling us what Premier Wells allegedly has said. I tell the member, given that he is going to stand and put words in the premier's mouth, that he ought to have the care, the consideration and the veracity, which means conviction to express the truth, to tell us what Mr. Wells said, to quote directly from him. The member conveniently did not hear me. It is not surprising he did not hear me because he is not representing accurately, truthfully or correctly what is being said by some premiers in this province and in this country.

What are premiers saying? Premiers are saying that if you continue to cut unilaterally and arbitrarily hundreds of millions of dollars from the health care budget, if you are operating hospitals and health care facilities on the assumption that money is being transferred and suddenly large junks of that money are no longer being transferred, you borrow some more if you have the capacity to borrow. Newfoundland does not have that capacity. Ontario might, I do not know, but it is fast losing it. Alberta and British Columbia might, but Newfoundland does not have that capacity to borrow.

What do the premiers say? The premiers said: "If I am not able to borrow, I either have to make cuts or I have to consider bringing in additional revenue". That is what the premier said. The premier did not say it was the policy of the government to bring in user fees. The premier did not say he was going to announce user fees. The premier said: "This is what the health care system is being driven to". It was a cry of alarm.

The member for St. John's East who is across the way knows that his city has seen dramatic cutbacks in the health care service. His province is currently undergoing an advertising campaign by the nurses talking about the quality of health care in Newfoundland and Labrador. The same is happening in New Brunswick because nurses themselves who are the primary caregivers are seeing that the health care system is sick.

What is equally worrisome, and I say with great respect perhaps equally sick in the context of how my colleague is thinking, is when he says that it is the policy of the New Democratic Party that cutbacks and lay-offs in the health care system of and by themselves are not an attack on universality.

Let me make clear to the member that the Liberal Party of Canada, the Liberal Party as represented in this House of Commons, the Liberal Party as represented by the leader of our party who went to Washington and defended Canadian health care, believes that these unilateral cuts in transfer payments to health care are an attack on universality. We are not prepared to play little semantic games. We understand that the reason that cutbacks are happening in every province, be they Liberal, NDP or Conservative, the reason people are being laid off and the reason the quality of health care is being reduced is the cuts to transfer payments.

I am appalled and amazed that my friend from the New Democratic Party, in the interest of defending Bob Rae or Roy Romanow or his colleague out in British Columbia, the newly elected leader out there, would say: 'You know, those cutbacks being made in Saskatchewan, Ontario and British Columbia, those lay-offs of nurses and of health care professionals, the closure of some wings of hospitals, the elimination of beds, are not attacks on universality, because even if we reduce our health care system to a band-aid station at least we will all have the same access to the same band-aids". That is the NDP mentality. As long as the lowest common denominator is equally available to everybody it is not a cutback.

That is outrageous. Our battle cannot just be to keep the system universal even if what is universal is our accessibility to a poor system. Our battle has to be to keep a quality system, not to allow one level of government to dictate to every other level of government the quality of health care; to have an intelligent, informed debate about choices; and to ensure that health care is maintained in this country in a manner that it becomes a matter of pride and right of Canadian citizenship.

I fear for my colleagues in the NDP. I fear they have lost their way. I fear they are still trapped in the politics of yesterday, the division between right and left, the promotion of class warfare, this whole notion of making the rich pay or making the poor pay, and the setting of one segment of society against another segment of society. They are so lost in the politics of yesterday that they miss the onslaught of change that is upon us and the requirement for modern day political parties to manage change, not merely to stand and be drowned by it.

I say to my colleague that I understand the great and glorious days of the revolution, but the revolution is over. Canada must move forward into the 1990s and beyond.

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, there is never anything in this House quite so entertaining as the hon. member for Humber—St. Barbe—Baie Verte when he is in full flight.

I certainly do not intend to even try to compete at the rhetorical level with the hon. member or with the pious way he set upon his NDP colleagues for this motion. The way in which he responded points up the existence of some sensitivity in the Liberal ranks with respect to the whole question of user fees.

I would like to respond to something that was said earlier by the hon. member from Etobicoke. He talked about the Ontario NDP government on one hand and blamed it for the deficit in Ontario, after having earlier gone on about the incredibly deep recession that Canada was experiencing, particularly Ontario.

If we want to talk about not seeking unfair partisan advantage and not bending the truth in order to suit one's political agenda, the Liberals cannot have it both ways with respect to Ontario.

They cannot talk about the tremendous effect of the recession in Ontario and then in the very next sentence blame the deficit in Ontario on the Ontario NDP government. Surely, there is some connection between the recession in Ontario and the deficit that the government there has had to create as a result of the economic conditions that prevail in that province.

It was also certainly stretching the truth to say that the Ontario NDP had inherited a balanced budget. We know that is not the case, but that was the impression that the Liberal government of the day tried to create during the election campaign that brought the NDP to power.

In listening to the hon. member from Newfoundland, he pointed out something that maybe is at the heart of the debate here. He said that if the provincial budgets continue to be squeezed, to have the life squeezed out of them by unilateral federal cutbacks in Established Programs Financing, in Canada Assistance Program financing, in equalization payments or whatever the case may be, then at some point, particularly with respect to health care, provincial governments are faced with this choice between the devil and the deep blue sea, so to speak.

We have to respond either through cutbacks or through seeking out new sources of revenue. This is where the argument about user fees comes in.

The member for Humber—St. Barbe—Baie Verte did not want to make a distinction between the introduction of user fees and cutbacks in health care, seeing them both as equally an attack on medicare.

What we have before us here in the form of the NDP motion is a motion which says that we do not accept that way of looking at the problem, that cutbacks and user fees are sort of equivalent.

• (1150)

I will try to explain why we do take genuine offence at the suggestion by Liberal premiers that user fees are somehow the solution to the problem.

What we are talking about here is problem and solution. The problem in the first place is unilateral federal cutbacks to health care dollars, a violation of the agreements, written and political, which existed in the 1960s and 1970s with respect to medicare being a federally and provincially cost shared program.

That is the source of the problem, and I say to the hon. member that it has its origin in the Liberal government of which he was a part, and in which he may even have been a cabinet minister in his dying days.

It was the Liberal government of 1982 which brought in the first unilateral cutback to Establish Programs Financing. The same government went to a great deal of trouble through the Canada Health Act to prevent user fees.

Obviously the Liberal government of that day, whether this member accepted it or not at that time, made a distinction between cutbacks and user fees. The same government cut back on health care dollars but at the same time brought in tough legislation to deal with user fees. That government then made a distinction, which the member was unwilling to make today, between the effect that user fees have, not just on the practical, but also on the philosophical underpinnings of medicare and the effect that cutbacks have.

I would agree that at some point cutbacks themselves become a threat to medicare. If your publicly funded health care system is so devastated, so much a shell of its former self that people come to think negatively about it, then that becomes an attack on medicare by virtue of the fact that people then begin to want and seek out alternatives to that publicly funded health care system.

Cutbacks can be a threat to medicare in and of themselves. The cutbacks we have seen, which began in 1982 but which accelerated under the Progressive Conservative Party starting in 1984, are a threat to medicare.

An even greater threat to medicare is when premiers, whether they be Liberal or anybody else, and in this case they happen to be Liberals, say that the solution to that problem is the reintroduction of user fees. That is where there is, I would hope we can admit here, a genuine distinction to be made between the problem, which is federal cutbacks to the provinces, which in turn leads to provincial cutbacks in health care services, and a legitimate disagreement about what the response should be to that reality. Some Liberal premiers have suggested that user fees are part of the legitimate response to that problem.

What we are saying here today is that we reject that as part of the solution. We reject it because it is part and parcel of what we have always been about, and that makes us different from the Liberals. We do not have a history. It is not the NDP in Saskatchewan that fought the introduction of medicare the way they did at that time.

There is a mixed bag over there when it comes to medicare, although it was a Liberal government that brought in medicare in the 1960s. This is to be acknowledged, but it was not something that the Liberals would have done if it had not been for the pressure brought to bear on them by the existence already of medicare in Saskatchewan, and by the fact that they had minority governments at that time and pressure was brought to bear on them by the NDP in the House at that time.

This is all a matter of historical record and is not designed to take away from the fact that I am sure there were some Liberals at the time who were genuinely keen on finally bringing into reality the promise that the Liberals had made at their convention in 1919.

The fact is that there is a distinction to be made between introduction of user fees and other ways of solving the problem that we now have.

The real solution is the reintroduction of full federal cost sharing. The solution is to restore the partnership. The solution is to not have the federal government slowly but surely getting out of the business of living up to its commitment to these federally and provincially cost shared programs.

That does not seem to be in the cards this side of the next election. We have a government that seems committed to off-loading its deficit on to the provinces in a way that is not only wrong from the point of view of off-loading the deficit, but also has this effect on fundamental services, such as health care, that the provinces are there to provide.

Unashamedly, in spite of everything that the member said, we condemn anyone who suggests that the solution at this point is user fees. There is a problem.

I was the NDP health critic for four years, between 1980 and 1984, and I spent most of my time trying to encourage the Liberal government of the day and health minister Monique Begin to bring in the Canada Health Act to deal with user fees. There was a consensus in the country that user fees were inimical to the value system of medicare. There was a unanimous vote in this House in April 1984 against user fees.

When we get up and condemn anyone who suggests that user fees be brought back, all we are speaking from is not just a consensus, but a unanimous action of the Canadian Parliament taken in 1984 with the passage of the Canada Health Act.

I say to the hon. member who takes such offence that we should be critical of those who would suggest going against the spirit of that unanimous act. What is it that he has taken offence to, unless he is embarrassed by the fact that it is his Liberal colleagues who have made this suggestion?

With respect to the cutbacks that are being brought in by various NDP governments in health care services, no one enjoys this, and particularly I know New Democrats do not enjoy it. I think the hon. member, if I understood him correctly, tried to make the point that this is happening all across the country.

Why is it happening all across the country? It is happening all across the country because all provinces are affected by the federal withdrawal from this program. It does not really matter whether you are Progressive Conservative, NDP or Liberal, if you are a provincial government, you are affected by these unilateral withdrawals from these programs. The temptation is to point fingers and say that one cutback is worse than the other or that if a certain party were in power this cutback would not happen, et cetera.

The fact is that cutbacks are happening. They are happening because we have finally got to the point at which that train of events which was started by the Liberals in 1982 is beginning to have its worst effect. We are not trimming fat any more from the system; we are trimming the system. That will be a threat to medicare.

The solution is not user fees. Study after study has shown that user fees, unless they are really hefty, cost as much to collect as they bring in. Not only that, but they tend to discourage the wrong people from seeking out health care services.

That is why we are dead against them. I venture to say we would be dead against them if in desperation some NDP premier were to suggest it. I would quarrel with him as much as I would quarrel with Mr. McKenna, Mr. Wells, or anybody else who has suggested that.

We do have a problem. It is not exactly a problem that has just arisen. I refer to *Hansard*, April 2, 1984, third reading of the Canada Health Act, and I quote from page 2605:

> There are questions having to do with the allocation of health care dollars because there is not an infinite amount of money, and there will be difficult decisions to be made —there are difficult decisions about the allocation of health care resources. Canadians will have to pay more attention to how their health care dollars are being spent. We will have to find a way as we did through medicare when we found a way to go beyond the allocation of health care resources by the marketplace and we will have to find a way to go beyond the present system which lays itself open more and more to the charge that bureaucrats are allocating health care resources by political and fiscal imperatives instead of health care imperatives.

• (1200)

That is what we have now, exactly what I predicted on April 2, 1984. The Minister of Finance might as well be the minister of health in the provinces and in the country, because all the health care decisions are being made not by the medical community or the medical community in co-operation with other people who are concerned, which is the way it should be, but by bureaucrats in the Department of Finance.

That is wrong. There is a problem. We do have a health care system which more and more looks like it is making infinite demands on a finite amount of money.

There is also the question, as predicted in this speech, which some people might want to have a look at, if they are interested, of the demographic problem which was building then and which is even worse now. I suggested at that time that we try and build the kind of infrastructure that would help us to deal with that demographic time bomb that was gathering at that time with the aging of our population. Nothing was done by the Liberal government of that day or by subsequent governments.

Finally, there is the question of the expensive technologies, diagnostic and therapeutic, which more and more place a strain on our health care system. We are going to have to find a way to say what things we can afford to do and what things we cannot. That will be difficult because some things which are very expensive are also very personal. For instance, if you are talking about quadruple bypasses or whatever the case may be, something very expensive, individualized treatment, that person has a name. The person who is eligible for that treatment and who did not get it because there was a waiting list or who died before it was available or whatever has a name and can be identified.

That kind of acute treatment is very prone, and I do not say this is wrong but it is a fact, to the manipulation of our emotions and our natural sense of caring about that one person. The same amount of money that is spent on some of that high tech stuff could be spent on cleaner water for reserves or some other preventive kind of thing. None of those people have names. None of those people have faces. You do not have a big article in the local *Sun* about the baby who was saved because there was cleaner water on the reserves because you do not know which baby it was that was saved by cleaner water. All you can know intellectually is that many were saved by cleaner water.

We have this tug on our emotions, how to spend this money on the identifiable individually speaking or on the non-identifiable socially speaking but which nevertheless might be money better spent depending on what we finally decide.

To be honest, medicare was conceived in a day and age when people could not foresee the never ending spiral of technological advances that have driven up the cost of health care the way they have. Ultimately we would all be safer if we were accompanied by a doctor wherever we went. Perhaps, depending on who the doctor was.

An hon. member: Then you would need a lawyer.

Mr. Blaikie: Someone says then you might need to be accompanied by a lawyer wherever you went, or a priest.

In any event, the fact is that there will have to be limits to what can be publicly funded. Nobody really argues about this. There are things which are not funded by medicare. There may have to be more things which are not funded by medicare. But we do not want to make those decisions as a result of having our backs falsely to the wall because the federal government is pulling out of its commitment to medicare. We want to have to make those tough decisions about what we can afford and what we cannot once we have both the federal and provincial governments living up to their commitment to the system. Whatever problems we have after that will be real problems rather than the political problems that are foisted on us by a lack of commitment on the part of a particular government to medicare.

Once we solve that problem, we can get about the very, very difficult decisions that will have to be made. I think they will be difficult for NDP governments as well as Conservative and Liberal governments. They will be difficult for everybody concerned. The solution will not be an uncritical return to the notion that user fees somehow will get us out of the mess we are in.

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, the problem with opposition days is that you sometimes do not get to know what is on until you get the Order Paper in the morning. When I saw the topic on the Order Paper this morning I immediately became very angry because I felt what an excellent debate we could have had in this House had we kept partisan politics out of it. The NDP, as always, takes every issue and turns it into partisan politics instead of having a good debate.

I contacted the hospitals in my riding to see how they are affected by the cutbacks and so on. It goes all the way from the cut in transfer payments from the federal government to the provinces, and then the New Democratic government's cuts to the hospitals. I found out, for example, from Mr. Cliff Nordal, president and CEO of the Queen Elizabeth Hospital right in my riding—and I wish they could be given the Award of Canada or something for the excellent service they are giving—that there has been only a 1 per cent increase for hospitals

this year, with 2 per cent in the next two years for health care in general, but the costs are going up much more than that.

He claims that the changes in federal benefits—that is the UI, CPP, workmen's compensation—are adding 15 per cent to the hospital costs. That is nothing the hospital puts on, but they have to pay their workers' UI, CPP and workmen's comp.

The Ontario Nurses Union has just negotiated an 8 per cent raise. The other unions are coming up for arbitration, and they will probably get the same. Another factor that is hurting this hospital, and I am sure others, is pay equity. Pay equity alone is making a big dent in the budget. The whole thing has left the Queen Elizabeth Hospital with a $2.8 million deficit, and has forced the closure of 82 chronic care beds. This is a loss of jobs but, more important, with the aging population and the demographics of our community this is a loss in our ability to care for the people.

I believe in pay equity, but if the provincial New Democratic government brings in that legislation, surely it cannot expect the hospitals to pick up that additional cost. Would the member agree that if the New Democratic government has brought in legislation on pay equity, it should then come in with the bucks also? I would like to pose that to the hon. member.

Madam Deputy Speaker: If I may, before I give the floor back to the hon. member for Winnipeg Transcona, I would like to tell the House that we have many problems with the amendment as presented by the hon. member for Winnipeg North. I would suggest at this time that we go on with the period of questions and comments after which, before we start on debate again, I would be prepared to listen to some argument. I want to give the opposition time to prepare and then we can decide on whether or not this amendment is admissible.

• (1210)

Mr. Blaikie: Madam Speaker, the member for Parkdale—High Park follows in the tradition of some of his colleagues who spoke earlier. On the one hand they want to blame the federal government, which is appropriate, for cutting back moneys to the provinces, in this case Ontario, and at the same time hold the province of Ontario responsible for the consequences of those cutbacks which they themselves, that is to say the Liberal member and his colleagues, place the responsibility for at the foot of the federal government. They cannot have it both ways.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I first of all want to congratulate the member for Winnipeg Transcona for a very thoughtful speech on this issue that the debate today is all about and to credit him for a speech he made previously about some of the concerns our provinces are having about health care.

My question to him relates to some of the very important problems faced by many of us representing northern, remote and rural ridings, and that is the way our health care system has developed. There are some legitimate arguments that in large urban areas there is evidence that we are actually overdoctored. They may be fine for the urban areas but it is a real problem for those of us who represent rural areas where communities have a difficult time attracting medical practitioners and others.

In the case of my riding I think of two communities. Valemount at the eastern end of the riding has to advertise in magazines in the U.K. and elsewhere and most recently another community, Fort St. James, a two-hour drive from Prince George, is having the same problem.

I would like to ask the member, from his experience on this issue, how we can deal with the current problems in health care and also be able to respond to the needs of the smaller communities that have a difficult time in attracting medical practitioners.

Mr. Blaikie: Madam Speaker, I am glad the member raises the question of health care services in remote areas. I might refer him to the same speech of April 2, 1984, where I do not talk about his riding in particular but I say:

> There are many other questions we will have to face, but I do not have the time to go into them. There will be the question of transportation in northern Ontario, for instance, and other remote parts of the country where people do not, in a sense, have equal access to hospital care. They must spend a lot more money than people living in urban centres to provide their families with the kind of hospital care which may be recommended by their physicians.

This was a problem which at that time was brought to my attention by a fellow who lived in Thunder Bay, who is now the member for Thunder Bay—Atikokan, but who at that time was very active in the promotion of improved health care services for people in northern Ontario.

The problem the member raises is related in the sense of how to get doctors into these communities. I come from a tradition in the church where people are expected after their graduation to serve in remote communities as a condition of their education. It costs a whole lot less to put somebody through the ministry than it does to put them through medicine. Yet we have all kinds of people, and we do not begrudge them this, who are getting a very expensive education in medicine. It seems to me that instead of all going to the lower mainland in B.C., or the golden horseshoe in Ontario or whatever the case may be, although it is not quite as golden as it used to be, that they should be expected in some way or another to put something back into the community by rendering some significant service in these more remote communities.

Part of the problem with the health care system now is that we have no way of rationing the number of doctors who are all trying to make a living out of the same population. We get areas in which there is a very high concentration of doctors, and it is only natural that they are going to be in a system which is demand driven but open-ended in the sense of the government reimbursing positions for the fees that they charge, but you are going to run into problems.

What we need to look at is some way of rationalizing the distribution of physicians. Some people have suggested, and it has even been implemented, only having so many billing numbers in a certain area and things like that. I am not convinced that is the answer. We do need to look, particularly when it comes to remote areas, at how we get doctors out into that area. It has something to do with an expectation that is either laid on or very much encouraged that these people have something to give back to the country that provided them with their education.

Mr. Karpoff: On a point of order, this is the first supply day in which the government has not put up a minister, parliamentary secretary or even a backbencher to defend medicare. I am wondering if we can get some indication from the government whether its silence is that it is now tacitly agreeing with the ending of universality.

Mr. Reid: Madam Speaker, as a backbencher in that list the member mentioned, the government is very anxious and interested to debate medicare. So far, all we have debated are the political intentions of one party or another, and I suspect when we discuss the health care system in this country, which is critically important, you might see the government participating. So far, frankly, it is great entertainment to watch people stealing out of each other's milk bowls.

Mr. Kristiansen: Madam Speaker, another comment on the same subject.

Our concern rests with the fact that a few weeks ago at an earlier federal-provincial conference, I believe it was the Prime Minister, or perhaps another spokesman for the government, who was very quick to disassociate and distance himself and the policy of his government regarding universality when the Liberal premier of New Brunswick had opened up that possibility.

Comparing the silence that has existed in this debate and in the last few days to the continuing questions regarding universality raised by other Liberal premiers makes us worry that perhaps the government, having seen this idea thrown around a little more broadly, is doing some rethinking on its part. We would welcome, and the Canadian people would be very much assured in this matter, some continuing commitment from the government that despite the advocacy of inroads on universality by the Liberal premiers, its policy is still going to be constant with regard to the principle of universality and medicare.

Mr. Blaikie: Madam Speaker, the reason we do not have the minister of health here or the kind of defence of medicare that we might otherwise expect is that there is no commitment to medicare on that side of the House.

I sat in this House for four years as the NDP health critic and not once in that so-called medicare crisis did an Official Opposition member, a Conservative, raise the question of user fees, which were a problem in the early 80s.

• (1220)

If it had not been for the combined efforts of the NDP in raising the question with the government and the personal commitment of the minister of health and welfare at the time, Monique Begin, nothing would have happened. It certainly would not have happened as a result of the efforts of the Official Opposition.

The only commitment that exists on that side of the House is not to reveal, in any open way, the fact that it does not have any commitment to medicare. It was against it from the first.

Mrs. Marleau: Madam Speaker, I have been advised that you are prepared to rule against our amendment based on the fact that you claim there are some new concepts being introduced in our amendment.

Let me remind you, Madam Speaker, that this motion is about the threat to our health care system and that you certainly recognize that health care is a shared responsibility of all levels of government in this country, and that governments are interdependent under our system of co-operative federalism.

This opposition motion expresses the concern of this House about the threat to the Canadian health care system by the actions of incumbent government cutbacks.

It is this motion which introduces the concept of incumbent governments. The amendment merely enlarges on the descriptive part of the motion. The motion itself refers to the expressed intentions of certain premiers of some of the incumbent governments which threaten the health care system.

Our amendment adds to this bill of particulars the actions of other incumbent governments and provincial premiers and really sets the situation in its proper context.

The provincial premiers are being compelled by the federal government into this action. It is the federal government which really poses the threat.

In other words, the amendment does not add any new concepts to the main motion. It merely clarifies the nature of the threats referred to in the motion. That is why I believe the motion is in order.

Mr. Blaikie: I would submit that this opposition day motion before the House has a clear scope. It is an expression of concern for views expressed by the leaders of three provincial governments, specifically the Liberal premiers of Quebec, New Brunswick and Newfoundland.

What the Liberal amendment seeks to do is add an entirely new element to the motion. It adds references to the actions of three other governments, as opposed to the opinions of three leaders.

Beauchesne's sixth edition is clear on this point. Paragraph 579(1) states:

> An amendment setting forth a proposition dealing with a matter which is foreign to the proposition involved in the main motion is not relevant and cannot be moved.

This is based on a Speaker's ruling of 1923 which has been consistently applied over the past decades. I am sure that when you have had an opportunity to consider the matter you will see that the motion we have before us in the form of the Liberal subamendment is out of order on the face of it.

Mr. Pagtakhan: Madam Speaker, I would like to debate and argue that our amendment to the motion is very much in order.

Why do I say that? Citation 929 indicates:

> On an allotted day, during consideration of the business of Supply, an amendment must not provide the basis for an entirely different debate than that proposed in the original motion.

Fortunately, Madam Speaker, before you could have had the time to decide on the procedural correctness of the amendment, debate in the House has already ensued.

We already heard the argument of the member for Winnipeg Transcona that there is a relationship between user fees and cutbacks from the federal government. That is now a fact in so far as an argument is concerned.

You cannot divide user fees and cutbacks. That is what the member from Winnipeg Transcona said. It is part of the debate. Who made the cutbacks? The federal government made it. You cannot isolate the federal government from this debate or we will have no debate.

If you look at the main motion by the NDP, the main focus is the threat to Canada's health care system; the system itself. It is not the stated intention of the Liberal premiers. It was only used as one.

Is the New Democratic Party telling us, the members, that the threat to the health care system is due to only one factor? During its arguments it has admitted it is not. I would submit, to allow for full debate on this issue, that the Chair allow the Liberal amendment to prosper so that we can have a healthy debate.

Canadians can listen to all the pros and cons. Let Canadians decide, and not on a procedural basis. We have to nip in the bud a fundamental principle of reality today.

Mr. Martin: Madam Speaker, it is difficult to understand the reasoning of the members of the NDP who would argue against our amendment.

The essence of our amendment is that as a result of the withdrawal of the federal government from its longstanding obligations, the health care system is in peril. Section 81(11) says that opposition motions may relate to any matter within the jurisdiction of the Parliament of Canada.

The argument is very clear. If our amendment is not acceptable because it is not related to the principle of the motion, and our amendment relates to the federal government, then the original motion should not be allowed. An opposition motion must relate to an issue relating to the jurisdiction of the Parliament of Canada.

The argument is very clear. Our amendment must be accepted, and if our amendment is not accepted, it can only be on the ground that the original motion itself is out of order.

Mr. Karpoff: Madam Speaker, the last two speakers who are trying to cite that this amendment should be in order have convinced you of the opposite.

This is a different debate. The original motion focused on two main elements: the opinions of the three Liberal premiers' administrations and on the introduction of user fees.

This amendment totally shifts the debate to a different subject. Based on the citation from the member from Winnipeg, the Chair clearly has no choice but to rule it out of order.

Madam Deputy Speaker: I ask for the indulgence of the House to take into consideration for a little while longer the new arguments which have been brought to me. I will come back to the House in a few minutes.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, normally I would be very glad to take part in such a debate. But today I have mixed feelings. Why?

[*English*]

As I indicated, I am usually quite enthused about participating in a discussion such as this one. Today, it is not really the case.

Intellectually I want to talk about the problem, but I am also angry because the motion, with all due respect to my colleagues, some of whom I respect a great deal, is particularly petty. It is a motion that takes a singularly important issue to Canadians, the health care of all Canadians, and trivializes it.

• (1230)

It debases it. It makes it totally, completely, uniquely political by trying to identify three Liberal premiers as the victims, if you wish, those who have perpetuated this. I am really disappointed.

Why has the NDP not talked about the real problem, the cause of where we are today and what we might be able to do in terms of something constructive and positive and respond to the health needs of all Canadians?

We all know that all provinces have been adversely affected. We all know that is as a result of the federal cutbacks, but there are other reasons as well and I shall go into them. Why did my colleagues from the New Democratic Party single out just Liberal premiers? Why did they not single out actions by the Saskatchewan government, an NDP government, I might add? Let me quote from an article dated today: "Saskatchewan cuts social spending". I want to quote from a Canadian press article: "The Saskatchewan government is cutting $115 million in funding for hospitals, schools and municipalities". It goes on. It warned yesterday that the provincial budget will include even deeper cuts. Why did they not mention the New Democratic Party of Saskatchewan, the New Democratic Government of Saskatchewan?

What has Bob Rae's NDP government done in a province that has been among the better-off financially, recognizing that it has had problems? Let me quote from

a recent article: "As a result of actions by the New Democratic Party, the New Democratic Government of Ontario, the Ontario Hospital Association has issued serious warnings; lay-offs of up to 13,000 hospital employees and 3,600 bed closures in hospitals". How do you like that? That is one of the actions.

Here is another article: "Hospitals will have to close and they will have to lay off staff". This is a New Democratic failure to preserve the medicare system.

I will quote another article about the behaviour of the New Democratic government in Ontario: "2,000 Ontario Hospital Jobs at Risk. The 1 per cent funding increase for Ontario hospitals this year could bring the loss of 2,000 hospital jobs across the province, said the finance minister".

Another article describes the situation of two individuals who are suffering from schizophrenia. One is able to get a drug that permits that person to cope with that particular difficulty, while the other does not. Why? The New Democratic government of Ontario will not provide the necessary kind of assistance.

I quote these particular articles because we need to acknowledge that all governments are having difficulties. It is inappropriate, insensitive and blantantly political to pick on a few individuals to try to make political hay out of an issue that is of such great importance to all Canadians. As I indicated, it trivializes it, it debases it.

[*Translation*]

Frankly it is disgusting and Canadians will see it that way.

[*English*]

What kinds of attitudes should we be taking on this issue? Let me quote my colleague from Winnipeg North who said on March 19, 1991, on an opposition day by this party dedicated to this topic: "Mr. Speaker, yesterday I sat in the House in amazement listening to a partisan New Democrat painting his party as a champion of medicare. His holier than thou rhetoric failed to mention that all first ministers of all political stripes and the Prime Minister agreed to discuss user fees at their meeting last night". This is not the first time that they have tried to do this.

Why? Obviously they have been looking at the polls. Obviously they are more concerned about the popularity of the Liberal Party of Canada than they are about the issue of medicare, about health care for Canadians.

I have another one here: "Medicare belongs to all of us, to all Canadians. It is shared by every member of this House and all of their constituents. Medicare is no less prized in Winnipeg North than it is in Kelowna, British Columbia, or Port aux Basques, Newfoundland. Medicare is the undeniable right of every Canadian citizen. It belongs to my sons and their children to follow. It belongs to the children of the Minister of National Health and Welfare and his colleagues and their children. It is perhaps the most precious thing all Canadians have to pass on to the next generation".

That is what my colleague from Winnipeg North said. He goes on: "Medicare is not a partisan issue and ought not to be". That is the kind of attitude we need. That is the kind of leadership that we need if we are going to come to grips with this critically important issue to all Canadians.

Using an issue such as health care, picking on certain premiers because of their political party membership, while premiers of other political parties have done the same or more, is political pettiness, political smallness at its worse. I expected much more from the NDP. I am sorry that we have had to stoop to that particular level.

I would have wanted the truth. Why is the current health system having difficulties? Clearly there are cuts to health care. Between 1986 and 1995 there will have been 20 billion fewer dollars transferred to provinces. Obviously, that is a lot of money and it is difficult to accommodate to those kinds of changes. Let there be no doubt about it. That is a major problem.

There was the made-in-Canada recession. This recession has caused a lot of difficulties in health care, in education and in other social programs. There are people who want more and better care. That is a change in attitude that has taken on some significant importance.

I had hoped that the NDP would have mentioned that one of the problems—I am delighted and I hope I am one of the individuals who will enjoy this—is that Canadians are living longer. They live longer and therefore they need more health care for longer periods of time.

I had hoped that it would have mentioned that health costs are increasing at alarming rates and tried to understand why that is so. I had hoped that it would have recognized that we need a different kind of response to health care problems today if we are going to respond to the health of Canadians.

What might some of these be? I go to some former debates. I recognize again the contribution and the leadership that my colleague from Winnipeg North has given. I want to quote from that particular opposition day dedicated to health care by the Liberal Party of Canada, on March 19, 1991. He said: "Daily our health care system is becoming more taxed and stricken with debt and fiscal restraint". He points out that the purchase of new equipment, even the maintenance of old equipment, becomes extremely difficult to fund. He points out as well that research funding has been cut. He goes on to say: "I believe by not focusing more attention on prevention we cannot hope to maintain services while coping with burgeoning health costs".

He points out some other difficulties: "I believe by not focusing more attention on the prevention we cannot hope to maintain services". He also says that we have to become more creative in responding to the needs that are out there. He points out as well that it is becoming increasingly difficult to find qualified nurses and qualified doctors, and this is particularly so in smaller, more isolated areas, and for a certain particular population, very often those which have particularly unique problems that have to be dealt with in the health care area.

My colleague also has identified the need for treatment facilities for new diseases and for the elderly. "Care centres for the elderly are desperately needed as their numbers swell with the addition of the baby boom generation".

Here are some of the points that my colleague has made, that other colleagues as well have identified, ones we need to come to grips with. We have fewer dollars being transferred to provinces. We have a changing demography in this country; people living longer, wanting more health care and better care.

Because of these various factors, the situation is changing.

[*Translation*]

When things change it is often extremely difficult for this government or any other to deal with the changed situation.

• (1240)

People often try to find targets and criticize instead of proposing creative solutions. That is what bothers me today. I am very troubled that such an important issue for all Canadians was used for political purposes, knowing that if we had chosen to discuss and talk things over together in order to find solutions we might have been able to do something good for our people.

[*English*]

A more appropriate motion might have been to collectively discuss, in an open kind of way, what kinds of solutions we could find to maintain and hopefully improve the health system for the benefit of Canadians. I would hope that perhaps during the rest of the day, in the time that is left, that is exactly what we would do.

[*Translation*]

I would like to recapitulate very briefly, since I am getting to the end of my speech. It is unfortunate that today and on many other occasions important issues are exploited for political purposes, for purely political gain.

I realize it is only human to want to put your best foot forward and try and woo Canadian voters. I think it is quite acceptable in certain situations, but I think we should be sensible and realize that there are times when it is appropriate to try and play certain political games, and times when we must consider the major issues of the day and try to find solutions that will help Canadians and help our country come up with programs that will provide a more satisfactory response to the needs of Canadians.

[*English*]

Therefore, I would like to come to the end of this particular discussion by asking my colleagues to commit themselves for the rest of the day to looking at solutions to these problems. There are fewer dollars; there are changing demographics; there are changing attitudes of the people who want better and more significant care. All of this is there and there are many, many more issues as well. Surely it would be a much more productive day if at the end of it all we could say: "Here is an idea, here are two or three ideas that might do something significant in terms of responding to the health care needs of

Canadians, all Canadians, whether they live in urban centres or in smaller communities or in isolated areas of our great country".

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I have a brief comment and two questions for the member for St. Boniface.

We have heard a great deal today and in the past of those across this country in senior positions in political parties who have argued for the introduction of user fees. We have heard it, as the motion indicates, from three Liberal premiers across this country. We have heard it from the leader of the Reform Party; we have heard it from the former minister of health, the member for Provencher, and from caucuses within the Conservative Party.

We have not heard it and we will not hear from the New Democratic Party any suggestion that user fees should be introduced into the Canadian health care system because of the danger and the damage that it will cause. We have heard it from the Liberals, the Reform Party and the Conservative Party.

I have two questions for the member. Does he not feel that it is important that political parties clearly put on the record for the Canadian people what their views are with regard to user fees and deterrent fees in the health care system? Does he not think that it is important to ask where these political parties stand on this question?

The second question is does he or does he not agree with his colleagues, the premiers of Quebec, Newfoundland and Labrador and New Brunswick, that user fees should be introduced into the Canadian health care system?

These are very simple questions.

Mr. Duhamel: Madam Speaker, I do appreciate the questions and I wish those questions had been asked in the way in which my colleague has just presented the questions. I think they are really quite fair. They do not smack of this political pettiness that I mentioned before in their particular motion.

An hon. member: Oh, oh.

Mr. Duhamel: My colleague will have an opportunity to stand up and debate me if he would like to. I would welcome that challenge. This motion is political pettiness. My colleague has just asked two important questions and I shall answer them.

First of all, he talks about three Liberal premiers having made statements to the effect that they would welcome, endorse or implement user fees. I would like to see the proof. Put the proof on the table where that has been stated unequivocally, and no fudging.

Yesterday on *Canada AM* one of the premiers was asked whether he endorsed user fees—one of those three premiers. He said no. Who is right in all of this? Are your colleagues trying to take advantage of you? I would like you to answer that question. Perhaps your own colleagues have not done their homework. They are getting trapped and at the end of the day they are going to hang because they have been petty, because they have been cheap, because they have debased the political process.

Is it important to ask the question? Yes. I applaud the way in which you have asked it and I thank you.

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, I want to compliment my colleague who has again demonstrated that, at least from this side of the House, the Liberal party is more than interested in getting into the substance of debate rather than engaging in what the NDP has put forward in its motion in a misperception of what might be construed as an issue.

Again, even in the questions that have been raised by both my colleagues, both from the great City of Winnipeg, we have had no substance.

That last question I asked my colleague referred to a "may", a "consider", and a possible review that is alleged to have been voiced by the three provincial premiers, none of whom have anything to do with this House. It was a direct attempt to try to put the Liberal Party of Canada in this House on the record as defenders of the provincial premiers, people who have been elected by their provinces, by their electorate, for issues that are germane to their provinces. They are going to try to make the Liberal Party of Canada the defenders of those provincial interests.

As my colleague has indicated, the Liberal Party of Canada is more than prepared and willing to come to to the defence of Canadians everywhere, no matter what their stripe.

It is instructive to keep in mind that the proponents of that motion fail very selectively to indicate that at the premier's conference of February, all premiers together, with the Prime Minister of Canada—that does not include the Leader of the Liberal Party of Canada who was already on the record as being very much in favour of universal access to medicare—agreed to review the medicare process in Canada. It was only after the conference that the NDP premiers came out and said: "Guess what? We did not like what transpired in that discussion. It was not to our advantage, and so we have rediscovered our support for universality of the medicare system. We do not believe in user fees. We do not believe in any kind of limitation". They sure as heck believed that when they went in and accepted that as an agenda item in that First Ministers' Conference. We were not there, but your representatives were there.

• (1250)

My colleague from St. Boniface has introduced some very important items in this debate. I wonder whether my colleague would be so good as to reiterate for the NDP movers of the motion that we are here to discuss substance, and would he please advise them what the essence of that substance might be.

Mr. Duhamel: Madam Speaker, I want to thank my colleagues for his comments and for his questions.

There are three points I want to make. If my colleagues from the NDP want to be as fair as they claim they want to be, they will acknowledge that the leader of the Liberal Party of Canada has publicly defended universality.

I would like to see one of them stand up and say it.

Second, I take serious offence with the NDP's manipulation of data, and I want to give one example with respect to Quebec. Please listen. You have one seat and I have to tell you it is going to get worse from here on in.

I want to read this into the record. This motion by the NDP has criticized Quebec, accusing it of intending to impose user fees. Is this criticism fair? I too would be concerned if the Quebec government were to proceed with the application of user fees, "but I did not pass judgment", says my colleague from Winnipeg North.

The government of Quebec's 1989 report *Improving Health and the Well-being of Quebec: Orientations* states: "Some of the advantages generally attributed to deterrent charges are most theoretical and this formula has major drawbacks that outweigh the advantages."

The report concludes: "Therefore, recourse to the deterrent changes cannot be an acceptable source of financing and the department favours turning to alternate sources of revenue."

If only the NDP health critic had read this report he would not be so quick to prejudge and impute ill-intention to the Quebec government. That is the blatant kind of political cynicism that is going on.

With respect to the issue, it is a very simple one. There are a number of changes that are occurring. From 1986 to 1995, $30 billion fewer dollars will be transferred for health and education. Roughly $20 billion of that was for health. That is a major problem to which the provinces need to respond in order to attempt to accommodate current realities.

I mentioned the changing demographics. We have a population that is living longer. We have more people in the seniors range. When people live longer, normally they require more health care. As they become more and more sensitive and knowledgeable as to what is available in terms of health care, they require and request better health care.

We have those various factors at play.

What is it that we need to do? Rather than trying to be petty and suggesting that someone has done something to someone else, what we need to do is come to grips with those basic problems.

How are we going to find the nurses and the doctors for the smaller and isolated areas? How are we going to provide the health care that Canadians need? That ought to be the essence of this debate.

As I said at the closing of my remarks, I would hope that the whole rest of the day would be focused upon finding solutions, rather than make petty political points because the Liberals happen to be higher in the polls than the NDP. It figured out, finally, that we are its biggest political enemy.

What silliness and insensitivity when we are talking about the health care of Canadians.

Mr. Mike Breaugh (Oshawa): Madam Speaker, I find this an interesting debate today because it is perhaps an exercise in classic Liberalism.

The concept of making the rich pay is not new in Canada. It was first, as I recall, put forward by the Marxist-Leninist party some time ago in Canadian politics and has only recently been adopted by the Liberals in some portions.

I was interested in the previous speaker not being clear as to which of the Liberal governments have put forward proposals in a very specific way for user fees. One would have thought he might have been aware of a bill put forward by the Quebec Liberal government in bill 120, which proposes, among other things, a tax for those who can afford it on medical services received yearly or a $5 fee for every visit to a doctor, and several other practices that have to deal with the receiving of care and extra charges or user fees, as they are well known.

One would have thought if the government of Quebec had gone so far as to table a study paper on the matter and introduce proposed legislation, Bill 120, that members of the Liberal Party here in Ottawa might have been aware that it is pretty specific. That is writing it down; that is putting a document in the public domain; that is introducing legislation. That ought to be a fairly clear indication, even to them, that some of their provincial counterparts are pretty firmly on the hook for user fees.

They seem not to have read people who have gone out of their way to put on public record their positions. They seem to be rather unsure of the proposals made by Premier Frank McKenna who was quoted in the Toronto *Globe & Mail* on February 10, 1992. It is not a widely read Canadian newspaper. Sometimes it is referred to as a bit of a rag.

Mr. Volpe: It is a rag.

Mr. Breaugh: The member for Don Mills just reaffirmed that the Liberals seem to feel that *The Globe & Mail* is a rag. I will quote from *The Globe & Mail* of that day. Premier Frank McKenna said:

> I believe that the wealthiest of Canadians are prepared to pay some deductible for their health care in order to ensure that we can continue to provide the poorest of Canadians with universal accessible health care. I don't believe there is another nation in the world that has such an open-ended system of health care where they simply give the dollars out no matter what the amount to health care providers and recipients without asking for some modest deductible in return from those who cannot afford to pay it.

The Marxist-Lenonists used to have a much less wordy version of that: "Make the rich pay".

I would also refer to another paper which is perhaps not widely read in the Liberal caucus. It is a local paper here in Ottawa, *The Ottawa Citizen*. On December 30, 1991 it was quoting the premier of Newfoundland, Clyde Wells:

> "We may have to look at the whole principle of universality in our social programs and look at the extent that we might have to limit the universality. Canadians would probably be open to such changes if politicians are honest about the state of the country's finances", he said. "I do not think people would be hostile to that type of change as long as they are aware of the economic problems that we face", he said.

It seems to me that there are at least three places on record, on paper, pretty specific, in which a Liberal provincial government has indicated that it is going toward the area of user fees. It seems to me that those members, and they have now left the Chamber, seemed unsure of what their provincial counterparts had to say on the matter. We cannot impose an obligation on them to read newspapers like *The Globe & Mail* or *The Citizen* or *The Montreal Gazette*. If they were unsure or unable to get that kind of information through their caucus brothers and sisters, we now have attempted to provide them with that service. The Liberal Party, in at least three of our provinces, has come very clearly on record in favour of user fees.

I have heard some abuse of my good friend and colleague, Mr. Robert Rae, the premier of Ontario, and I want to rush to his defence this morning. I do not always do this, but today is the day.

I noticed the conference of the first ministers in Toronto in which the premier of Ontario was beginning to fight back against a federal government that has caused a great deal of anxiety. I want to say that it is about time that the premiers of all the provinces decided to kick the government in the shins a little bit to put on the public record just exactly what has transpired in the

last decade or so concerning the transfer payments to the provinces which have a direct impact on their programs.

If people do not like it, so be it. Bob Rae, congratulations to you. Kick the government in the shins again. The government deserves it. It deserves to be a matter of great public controversy precisely whether the government has carried out its responsibilities. In my opinion, and I would suggest that it is now shared by every provincial government in the country, it has not. That ought to be a matter of great public debate and dialogue, and if the federal government does not like it, tough luck.

It has put the boots to Canadians in hospitals, providing medical care in a wide variety of circumstances across this country for long enough. It has put provincial governments and municipal governments and local hospitals at risk for long enough.

It should not be a mysterious debate about who has the best finance department. It ought to be a substantive debate about what one level of government, the federal level, has done to the provinces, the municipalities and their local hospitals by clearly reneging on its own financial responsibilities.

We will continue this debate later in the afternoon, but it will not get any softer.

Madam Deputy Speaker: As we rise for lunch, I would like to tell the House that I have chosen to consult with the Speaker over this lunch period. One of us will rule after Question Period.

It being one o'clock, I do now leave the chair until two o'clock this afternoon, pursuant to Standing Order 24(2).

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

FATHER ROLLAND BRUNELLE

M. Gaby Larrivée (Joliette): Mr. Speaker, today I want to take this opportunity to pay tribute to Father Rolland Brunelle.

Recently Father Brunelle was made a knight of the National Order of Quebec. He was awarded this high honour by the premier of Quebec, in recognition of his exceptional contribution to the community.

This award was well deserved. Father Brunelle has dedicated his life to teaching music and for more than 50 years has passed on his love of music to hundreds of young people, some of whom have become famous musicians.

Throughout his career Father Brunelle won the admiration and respect of the community in Joliette, which expressed its appreciation by celebrating his 50th anniversary as a teacher of music last year.

Father Brunelle's contribution and his dedication to young people and the local community are examples to us all.

On behalf of the House I wish to congratulate Father Brunelle on receiving this well deserved award.

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[*English*]

MYANMAR

Mrs. Christine Stewart (Northumberland): Mr. Speaker, it is beyond understanding that Canada still recognizes and supports the current military dictatorship in Myanmar which continues to rule by force and which has been twice rejected by Myanmar's 40 million citizens through widespread demonstrations and the ballot box.

In attempts to further delay transferring its power to the National League for Democracy, which won the 1990 general elections, the illegitimate dictatorship is waging a cruel war against Muslims and ethnic minorities, causing almost 200,000 refugees to flee to neighbouring countries. Indeed, the United Nations High Commissioner for Refugees in Geneva issued an urgent plea for assistance, saying the situation has turned into one of the world's major refugee crises. Amnesty International has confirmed reports of widespread human rights violations, including torture, rape and killings.

I call on this government to recognize the Myanmar national coalition government as the government legally elected by the people, support UN economic sanctions and an arms embargo on Myanmar, suspend all Petro-Canada operations and to redirect all government to government and multilateral assistance to the refugees and those in legitimate need.

[*Translation*]

NATIONAIR

Mr. Vincent Della Noce (Laval–Est): Mr. Speaker, I support what was said yesterday in the House by the hon. member for Laurier—Sainte–Marie about the resumptions of negotiations between the union and Nationair in the presence of Mr. Courchesne, the mediator appointed by the Minister of Labour.

Time is of the essence, even if Mr. Nolan, the Toronto based leader of the flight attendants union who is also employed by Air Canada, has said repeatedly that closing down Nationair did not bother him at all.

It is hard to understand why a union affiliated with the QFL, whose president, Mr. Daoust, says he is very concerned about the well–being of Nationair employees, could make such inappropriate and indeed dangerous statements.

The campaign to boycott, smear and destroy Mirabel's biggest carrier most stop.

In any case, in view of QFL leader Daoust's dedication to the interests of Quebec workers, I am confident that with a show of good will on both sides, negotiations will be resumed.

It is time a settlement was reached. The hon. member for Laurier—Sainte–Marie and myself are prepared to provide some form of special mediation, if necessary, to speed up the settlement of this dispute before it is too late.

* * *

[*English*]

THE LATE BARBARA FRUM

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I join with others in the House today to express my sadness and that of my party and leader at the death of Barbara Frum. Ms. Frum had a long, varied and accomplished career in journalism. Throughout and until the end she brought curiosity and insight to virtually every interview and every issue she approached.

She became one of the pre–eminent journalists in our nation's history. She succeeded because she knew the issues. She made them understandable for the rest of us. She asked the questions people wanted answered and cared about how the issues touched our lives.

She accomplished all of this as a woman in what had been a very male profession. She was, is and will be for a long time, a role model and inspiration to generations of young women. If the face and character of journalism have changed in Canada, Barbara Frum was certainly at the centre of that change.

My leader said today that perhaps more than anything else, Barbara Frum was a guest we welcomed into our home every night. Her presence will be missed. The sadness we express today is a sadness I know that is shared by all Canadians.

On behalf of myself, my leader and my party, I offer our heartfelt condolences to Ms. Frum's family and her friends.

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THE LATE BARBARA FRUM

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, echoing the comments of my colleague for Kamloops, like many millions of Canadians, I am shattered by the death of Barbara Frum.

As a journalist by profession, I met Barbara and associated with her on a number of occasions. I was even honoured to be interviewed by Canada's finest woman journalist on radio's *As It Happens* and CBC–TVs *The Journal* over the years from heaven knows where.

I did not necessarily share Barbara Frum's political views, but I am one Canadian who greatly admired her objective approach to journalism and her unabashed way of questioning anybody who needed to be questioned.

Barbara's sense of values and her forthright statements of those values, which you could sense just by watching her eyes, made her one of the giants of the Canadian broadcasting industry.

Barbara Frum will be missed by her legion of Canadian fans. I know I will miss her.

S. O. 31

THE LATE BARBARA FRUM

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, we were all saddened this morning when we woke to the news of the death of Barbara Frum at the early age of 54. She had struggled valiantly these last few years with leukaemia, heroically never letting her pain show to millions of Canadians every night.

One of Canada's greatest journalists, she was a role model and pioneer for women and set extraordinary standards of professionalism.

We first became aware of Barbara Frum's insightful interviewing skills on CBC Radio through *As It Happens*, as we were kept updated on Canadian public affairs.

In 1982 she left radio, breaking into CBC television with *The Journal*. For a decade Barbara Frum entered our homes nightly, bringing us in-depth interviews with world leaders from a Canadian perspective, as well as keeping us informed about issues affecting Canada in an ever probing way. She shall be sorely missed by family, friends and the Canadian public. Heartfelt condolences.

May her memory be blessed and may the mourners be comforted among all those who mourn in Zion and Jerusalem.

Y'hee zichron baruch. Hamakom yinachem etchem betoch shaaré tizion v'Yerushalayim.

* * *

SARNIA, ONTARIO

Mr. Ken James (Sarnia—Lambton) Mr. Speaker, the April 1992 issue of *Chatelaine* has recently hit the news stands. Included in this issue is an article listing the top 10 towns and small cities in Canada in which to live. The article boasts that those chosen towns and cities have an irrepressible spirit, while being safe, affordable and neighbourly.

It is with great pleasure and pride that I inform all members that Sarnia, Ontario, has been included in this top 10 list. With a good regional employment rate, relatively low housing costs, an established economic base and a strong sense of community, Sarnia has always topped the list for myself, of course, and all residents of our area.

I am pleased that the magazine has acknowledged what the people of Sarnia have known for a long time. Now all Canadians will know what a great place Sarnia is to live, work and raise a family.

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ENGLISH AS A SECOND LANGUAGE

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, the future of Canada's only national English as a Second Language organization is in jeopardy.

TESL Canada, a non-profit organization, depends largely upon grants from the federal government for funding. Seven months ago, there was a proposal submitted to the Secretary of State to continue a program entitled "Community Support and Participation Program" for the development of an ESL learners' national network.

This is the fourth year of the program. The decision to fund or not to fund is at the minister's discretion. When an official was asked whether the program would be funded, the official answered: "I do not know".

Will this government commit today to funding the ESL program? Will this government commit to the future of new Canadians? Will this government recognize the contributions of immigrants to our society?

• (1410)

Finally, will the minister ensure the survival of this important program?

* * *

[*Translation*]

DEVELOPMENT ON ABORIGINAL PEOPLES' LANDS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, speaking to members of the Canadian Club in Montreal, including 10 representatives from Hydro Quebec, Chief Billy Diamond of the Waskaghanish Cree stated that aboriginal people wanted to be partners in resource development on their lands so as to enjoy the financial benefits and limit any negative impact on the natural and human environment. He went on to say that it was necessary to set up a partnership with non-native entrepreneurs and establish a better relationship with the government so that native concerns would be given due consideration and long-term development would benefit consumers in the north as well as the south.

According to Mr. Diamond, private and public developers will start taking aboriginal people seriously when they have no other alternative.

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[*English*]

MERCHANT MARINERS

Mr. John Brewin (Victoria): Mr. Speaker, today in Halifax the Minister of Veterans Affairs has finally announced that the government will introduce legislation to recognize the service in wartime of Canada's merchant mariners.

On my own behalf and on behalf of our party, and particularly the member for Regina—Lumsden who has worked on this cause for years, we applaud the announcement as far as it goes.

Regretfully, however, the announcement falls short of acceptance by the government of the unanimous report of the Standing Committee on National Defence and Veterans Affairs which called for the full recognition of merchant mariners as veterans with the same status and benefits as Armed Forces veterans.

In World War II and other conflicts, Canada's merchant mariners served this country with courage and sacrifice. Finally they are getting some of the recognition they deserve. I am sure all members of this House will honour their contribution to freedom and pledge to work to see that the promised legislation fully meets the recognition to which they are fully entitled.

* * *

MERCHANT MARINERS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, this is indeed a great day for Canada's merchant seamen. Just a few hours ago the Minister of Veterans Affairs announced in Halifax that Canada's wartime merchant mariners will soon be enjoying all the benefits now available to veterans of our wartime Armed Forces.

Merchant mariners do have some access to most of the programs and benefits available to other veterans, but there are significant omissions and differences that really rankle them.

New legislation will be introduced to close all the gaps. This means that long-term care will be available to the merchant navy veterans. More of them will have the opportunity to qualify for the veterans independence program. The old six-month restriction has been torpedoed, as have obstacles to disability pensions.

Ever since the end of the Second World War, merchant mariners have been fighting for veteran status. I am proud that my government is the one to do something about it and I commend this minister for making it happen.

On March 17 I told the House about my late uncle, Captain Ernest Shatford of the merchant navy. These changes have come too late for him, but I know he would be absolutely delighted that his shipmates have won their battle.

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CORE AREA INITIATIVE PROGRAM

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the Core Area Initiative Program of Winnipeg has five days left to live. It is losing funding from both the Tory federal government and the Tory provincial government. Meanwhile, Winnipeg and particularly inner city residents stand to suffer.

How can this government allow a Liberal initiative that has taught job skills to over 2,600 citizens, most of whom remain employed, to die?

As well, the core area initiative works to get young Canadians off the streets and helps revitalize the face of the inner city. Is the problem with this government lack of commitment, failure of leadership, or both? I tell this government it has only five days left to prove its worth to Winnipegers.

Give the core area initiative a new lease on life. Do not let this success story perish. It has served Winnipegers well.

Oral Questions

THE LATE BARBARA FRUM

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to join my colleagues in celebrating Barbara Frum's life.

She was more than the reigning queen of Canadian broadcasting. She was a case study in courage.

The first time I met Barbara Frum was in a Toronto television studio 10 years ago. We arrived at the makeup room at the same time and I was struck by her appearance. After watching her on television for so long, I was surprised to see that in person her hair was thin and her features troubled.

Only later did I learn of her battle with leukaemia, a battle which would have ended weaker lives a lot sooner. Barbara's battle, not to excel in life but simply to keep on living, was an inspiration.

I came later to meet her entrepreneurial husband, Murray, and her son, David, who has become in his own right, an outstanding journalist. The Frum family, by any standard, is exceptional and special.

This day we are sad at Barbara Frum's passing. But we are also inspired by her.

Those of us who knew her, who were challenged by her on national television, who felt her energy and her bite, know that this is not just the loss of an important journalist, it is the loss of a person who had an appetite for life. It is the loss of someone who challenged disease and death the same way she took on the politicians and that, as many of us in this House know, was with a fury.

* * *

MERCHANT MARINERS

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I join my colleagues in expressing our appreciation on the recent announcement by the Minister of Veterans Affairs in considering merchant seamen for veterans' benefits.

I was a member of the Standing Committee on Defence and Veterans Affairs which studied this matter. The testimony that we heard from the merchant seamen involved and those who participated on behalf of their colleagues, the merchant sailors who were involved in the world wars and particularly World War II, was commendable.

I recall, as a young boy in Newfoundland, the experiences of those involved even in the coastal trade, plus the Atlantic Canadians who were involved in very dangerous trips across the Atlantic and indeed up as far as Murmansk.

I am speaking on behalf of my party and the leader of the Liberal Party, who is delighted to see that this action has been taken by the government and that the brave action of those merchant seamen who helped us in the wars at sea and their contribution are finally being fully appreciated by the government.

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UNEMPLOYMENT INSURANCE

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, Canadians want this government to invest in their future. This government does not have to take my word for it, it only has to read the results of a recent survey from the hon. member for Mississauga South.

More than 70 per cent of respondents were in favour of allowing unemployed Canadians to continue to collect benefits while attending school and more than 80 per cent of the respondents were also in favour of the government spending more money to finance training programs.

It is imperative, however, that the training funds should not be taken from the unemployment insurance account. The government pulled out of its financial commitment to the account through the adoption of Bill C–21 at the beginning of this recession.

It is time for this government to get back in and show its commitment to the future of Canadian workers.

ORAL QUESTION PERIOD

[*English*]

AVIATION SAFETY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Acting Prime Minister and concerns the release this morning of the report on the inquiry into the Dryden crash.

I would like to say at the outset of this series of questions that I am sure all Canadians were relieved to hear Justice Moshansky say this morning that some of his concerns about aviation safety have been and are being acted upon. However, he also was clear in stating that the Air Ontario crash at Dryden did not just happen, it was allowed to happen, effectively laying at the foot of this government the death of 24 people.

This conclusion is a very serious one to which the government must respond. Will the government, in the face of this conclusion by Mr. Justice Moshansky and the grave consequences of such a fundamental mistake in the government's policy, accept its responsibility? How does the government propose to make retribution for its policy mistake?

Hon. Jean Corbeil (Minister of Transport): First of all, Mr. Speaker, I think the hon. member for Ottawa South, who was at the press conference this morning, knows that I have indicated that safety in the air in Canada has improved tremendously over the past decade. In 1981 there were 700 aircraft accidents in Canada. In 1991 there were 449 accidents.

We will never be satisfied until we have a zero accident rate, but I think the fact that the situation has improved by 35 per cent over a period of 10 years is an indication that our priority has been on safety.

The report we received this morning is very exhaustive and comprehensive. It contains 191 recommendations. I have indicated that since August of last year I have established an implementation team consisting of 20 persons from Transport Canada and all other segments of the aviation industry to implement these 191 recommendations.

Right now we have already completed 33 of these recommendations. We have indicated that we concur with 61 of the recommendations and action is under way, so already 49 per cent of the 191 recommendations have been implemented. Of the others, the implementation team will start work on them immediately.

• (1420)

I have taken the commitment that I will make public an interim report on the work of that team within the next six months.

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, according to the inquiry made public this morning, it is clear that the air safety of the Canadian public is not a priority for this government.

I quote the Moshansky report:

> The need for increased resources within the Aviation Regulation Directorate to meet the growth and demands expected to be generated by the policy of economic regulatory reform was predicted and well documented in several reports and studies.

Since this government has not acted on the many warnings given to it, would the minister agree to set up an independent task force on air safety, which would report regularly to Parliament on the government's performance in regulating air safety?

[*English*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to point out that in 1984–85 there were 456 inspectors at Transport Canada. In 1991–92 there are 569 inspectors. This indicates, I think, that safety continues to be our prime concern.

I would point out that there were five million movements of aircraft in Canada last year. We had 449 accidents. While we are not complacent, I think this indicates that our record for safety is not diminishing, it is improving and this has been confirmed by the report of the Transportation Safety Board over the past few years.

Mr. John Manley (Ottawa South): Mr. Speaker, the minister really misses the point here. What happened and what Justice Moshansky has reported is that what occurred in the mid-1980s in Canada was a mid-air collision between contradictory federal government policies, that of airline deregulation and deficit reduction.

I quote from the report:

> The effect of economic regulatory reform combined with deficit reduction—created a synergy that, in my opinion based on the evidence before this Commission, had an adverse impact on the effective application of safety standards."

Why did the government fail to ensure public safety in the air?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I repeat that we received from Justice Moshansky this morning a very comprehensive and thorough report

containing 191 recommendations. Forty-nine per cent of these recommendations are already under way.

When Justice Moshansky tabled two interim reports earlier, action was taken on these recommendations immediately, and the safety record has been excellent because we have reduced the number of accidents in Canadian skies over the past 10 years.

The indication that Justice Moshansky himself has given is that he has confidence in the safety standards of aviation in Canada. Upon being questioned by a member of the press this morning, he reiterated that he himself has no qualms about travelling with air carriers in Canadian skies.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, in the words of Justice Moshansky, this accident did not happen by chance, it was allowed to happen. It could have been avoided.

As far back as 1985, the Nielsen task force report advised this government to "immediately increase the resources devoted to licensing, certification and enforcement in the regulation of air safety". Increase them.

Why did the government choose to ignore that advice, actually decrease resources and thereby jeopardize safety in the name of economic policy?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, first of all I would like to mention that I informed the public this morning that I have no problems with the 191 recommendations contained in the report of Mr. Justice Moshansky.

I have also indicated that if this report was a decision of the court, I would have immediately asked our lawyers to file an appeal. I strenuously reject and object to the language that has been used that tends to put the blame on the thousands of men and women who have been, and still are active in Transport Canada and in the employment of air carriers.

To connote that these people may have allowed an accident to happen is sheer nonsense.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the hundreds of men and women in Transport Canada, the foot soldiers of Transport Canada are not to blame. They were the ones who came to this minister and blamed the minister and his policies for this action. That is what happened.

Justice Moshansky said very clearly this morning that deregulation in air transportation came into play with an inconsistent government policy of fiscal restraint. Those are his words.

The Deputy Prime Minister received warnings from within Transport Canada, the foot soldiers we are speaking of, that safety was being compromised under deregulation. He got the advice. He refused the advice. The Deputy Prime Minister owes Canadians an explanation.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, in his statement this morning, Justice Moshansky said in part: "After more than two years of intensive investigation and public hearings, I have concluded that this accident did not just happen by chance. It was allowed to happen". Later on, he said: "thereby abetting the carriers' permissive, corporate attitude".

I think this is lacking in justice to these thousands of men and women who are still active in the aviation system in Canada or who have previously been active. They are dedicated persons who contribute all their efforts to make the sky over Canada as safe as it is. There were five million movements of aircraft last year, we had 449 accidents, which is a 35 per cent improvement over 1981.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, five different Ministers of Transport have stood up in their places in this House and said: "When it comes to economic deregulation, safety will not be compromised".

Justice Moshansky, in the report that he released this morning, pointed out how very hollow those words were. A succession of staff reports, as far back as 1984 and then continuing past the white paper *The Freedom to Move* warned the Minister of Transport of the dangers of deregulation as it relates to safety. A number of times in this House members rose to point the same thing out to the Minister of Transport.

Knowing all of this, why did the government not change things so that the Dryden crash could have been prevented?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, again I will repeat for my friend across the aisle that the number of inspectors in 1984–85 was 456. In 1991–92 it is 569.

This is a clear indication that we have not reduced our preoccupation with safety, resulting in 35 per cent fewer accidents last year than in 1981. This is an indication that we have not relaxed our preoccupation with safety.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I have a supplementary question. The minister is quite committed to quoting figures in his answers today. Let me quote back to him Transport Canada's estimates for 1992–93 which on page 240, dealing with aviation regulation client base and aviation regulation workload, the graph shows a flat line between 1988–89 and 1992–93 for inspections done by his staff on air carriers.

• (1430)

If his own estimates show no change in the number of inspections and yet he says there are more inspectors, I want to ask the minister what has he got them doing? They certainly are not out there inspecting any more than they were five years ago.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the record stands for itself. We had 700 accidents in 1981 when the movement of aircraft was much lower than today. Last year with five million movements of aircraft in Canada we had 449 accidents.

This is no consolation for the people who have been involved, but this is definitely an improvement of 35 per cent which indicates that we have continued to be very much preoccupied by safety in the sky. Again, proof that the Canadian sky is safe is the fact that Mr. Justice Moshansky has said today that he has no qualms using the Canadian carriers.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, as the minister just repeated in the House, he said this morning at his press conference: "I can assure Canadians that Canada's aviation system is safe". That is basically the same kind of language that his four predecessors used in this House as far back as 1984.

What proof can he give to the Canadian public, other than numbers of inspectors, that it really is safer out there, that every time people get on a plane, they will get off again at their destination?

Hon. Jean Corbeil (Minister of Transport): Again, I repeat that there are fewer accidents. In 1991 there were fewer accidents with five million movements of aircraft. We had a reduction over the 10-year period of 35 per cent in the accident record. That by itself is an indication that the sky in Canada is safe and that we are still and always will be committed to safety. The prime objective of Transport Canada is to keep the sky of Canada as safe as possible.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is for the Deputy Prime Minister. In December 1985, the then-Deputy Prime Minister unequivocally promised in this House that he would strengthen air safety. Today, in a very damning report, Judge Moshansky says on page 887 that the senior management of Transport Canada was effectively paralyzed by the government. The Deputy Prime Minister's own credibility is at stake. Can he tell us why he did not keep his word?

[*English*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, we know that the opposition party has always been very much against deregulation as it has been against so many other things that this government has done to improve the situation in Canada.

I repeat again that the record of the aviation industry in Canada over the past 10 years has shown an improvement of 35 per cent in the accident rate despite an additional number of movements. There were five million movements in 1991 with 449 accidents compared to 700 accidents in 1981. This is a clear demonstration that deregulation has not impaired the safety of the Canadian sky.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): I wish to ask a supplementary question, Mr. Speaker. Obviously the Minister of Transport is trying today to cover up the mistakes made by the Conservative government when it deregulated. It is easy for him to say that the opposition opposed it at the time. He is right: both opposition parties opposed it, as well as the Canadian Pilots Association and the Canadian Air Traffic Controllers Association. The only one in step was the then Minister of Transport, and we know the consequences today. One thing is very clear: a many-page report directly condemns the government for this incident. Twenty-four people died because the necessary action was not taken. The government did not provide the Department of Transport with the funds required to have the air safety controls that the minister at the time had promised but did not deliver.

Will the minister at least have the decency in this House to admit some responsibility for what happened in the Dryden accident?

[*English*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, Mr. Justice Moshansky says in his statement today:

"Rarely are aviation accidents the result of a single cause. Modern air transportation is a complex enterprise. Similarly complex are the causes of aircraft accidents. This was certainly the case with the crash of the Air Ontario F-28 jet at Dryden".

He has made 191 recommendations. We have already started to act on 49 per cent of those recommendations. I have put in place an implementation team to make sure we have all the recommendations adhered to within the next six months.

Mr. Sergio Marchi (York West): Mr. Speaker, my question is also for the Deputy Prime Minister.

The facts from the government's own department and agencies clearly demonstrate that the government's deregulation policy has compromised air safety.

I ask the Deputy Prime Minister, given the dramatic increase of aircraft movements following deregulation and the fact that the number of near-misses over airports since 1985 have increased over 300 per cent, why did this government freeze the number of air traffic controllers in 1985, resulting in 400 fewer controllers than are needed today to establish bare minimum safety levels? What kind of safety standards and safety planning is that?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, the Department of Transport has had a program in existence for three years to increase the number of air traffic controllers to cope with the increase in traffic that we have experienced over the last three years.

By the beginning of 1994 we will have in place the full number of air traffic controllers needed so that the present air controllers will have less overtime.

Mr. Sergio Marchi (York West): Mr. Speaker, my supplementary is for the same minister. Deregulation resulted in more aircraft movements carrying more passengers at virtually every Canadian airport.

I ask the minister why it is that his director of air safety and standards division today confirmed for me that there are only 31 commercial aircraft inspectors in operation for the entire country today, when a secret document from the Department of Transport three years ago, for that period suggested that they at least needed 44 inspectors, never mind the needs of today.

When is this minister and this government going to place public safety before Conservative ideology?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I am very pleased to hear the member mention all these increases in the number of passengers and aircraft.

I can say that there were 3.677 million hours of flying in Canada last year, 5 million movements and 66 million emplanements and disembarkments. This indicates that deregulation has worked well for the public. It is further enhanced by the fact that we have a 35 per cent decrease in the number of accidents over that same period.

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EXTERNAL AFFAIRS

Mr. John Brewin (Victoria): Mr. Speaker, first of all it is very clear from the minister's failure to respond to this report that he has no option but to resign. However, my question has to do with another report which was filed today. My question is for the Deputy Prime Minister.

• (1440)

The Citizens' Inquiry into Peace and Security has published its report today. The report comes after hundreds of presentations from people all across Canada from all walks of life. It calls for a complete transformation of international and foreign policy for this country.

Will the government respond to what is being described as a tremendous desire on the part of the Canadian people to at least play a part in formulating Canada's policy in this area and establish a full public comprehensive study of foreign and defence policy in Canada?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I will refer the hon. member's representation to the Secretary of State for External Affairs.

Mr. John Brewin (Victoria): Mr. Speaker, it is disappointing that there is no minister directly responsible. I will come back again to the Deputy Prime Minister and ask this question.

As I said, the report calls for a complete transformation of our understanding of security so that it is more than just military security, but also environmental, political, economic and social security.

Will the government accept the fundamental recommendation of this report and agree that our foreign policy in this country needs transformation now that the cold war is finally over?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, without responding directly to this report which has just been filed I can assure my hon. friend, as I indicated in the House last week and at committee yesterday, that I have asked the director of the Canadian Security Intelligence Service to undertake a complete review as to Canada's security to make sure in the context of all of the changes that have taken place that our priorities are right and our resources are in the right places.

The government is aware of that aspect of my hon. friend's question. I do agree that there is an aspect of it that is within the purview of the Secretary of State for External Affairs. As the Deputy Prime Minister indicated, she will be addressing that report when she returns to the House.

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AVIATION SAFETY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have observed Question Period very carefully. I am appalled by the reaction of the government.

Here we have a report to the effect that the Minister of Transport of the day put ideology ahead of security and people died in a plane accident in Dryden. There is a tradition in this House that when an independent inquiry blames a minister for his bad judgment he is to accept responsibility in this House.

I would like to know from the Deputy Prime Minister who was the then Minister of Transport: Does he accept the blame put forward by the judge today?

An hon. member: He is out of order.

Mr. Speaker: The hon. Leader of the Opposition has put a question to a former minister. That is out of order. The hon. Leader of the Opposition may put the question again to the minister.

Mr. Chrétien: Mr. Speaker, I am asking a question of the leader of the government in the House today, the Deputy Prime Minister. When the government is blamed in a report like that, we need an answer from the government.

It so happens that the Deputy Prime Minister is the former Minister of Transport, but he is still the Deputy Prime Minister and the one who speaks for this government in this House today.

I want to know if this government will accept its responsibility and as the minister who was responsible for that disaster to face its—

Mr. Speaker: I must say to the hon. Leader of the Opposition it is still out of order. The hon. member for Kenora—Rainy River.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, if the government wants to know the impact of deregulation I suggest that the government speak to the regions of the country. In northern Ontario services have been cut, funding for airports has been reduced and, most important, safety has been allowed to be compromised.

I want to ask the Minister of Transport: How many more Drydens will it take before the government wakes up to the reality that public safety in this country has been sacrificed at the altar of deregulation?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I believe the member must have been writing his question rather than listening to the questions that were asked before his turn came about.

I have clearly indicated that in 1981 there were 700 accidents with less aircraft movements. In 1991 there were 449 accidents with five million aircraft movements in this country and over three million hours of flight.

This is an indication that we have improved the safety record in the skies over Canada during that period. This demonstrates very clearly that deregulation has not impaired the safety record of Canada, which is second to none.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I am sure the families of the 24 victims of the Dryden crash will be comforted by the minister's lack of commitment to safety in the airline industry.

Some hon. members: Oh, oh.

Mr. Speaker: Just a moment. The problem now is that that kind of preamble is going to create disorder. It is not an easy subject, and I think that in keeping with the decorum of this place questions do not have to impute the character or motives of the minister.

The hon. member has plenty of room to ask questions and I ask him to put his question appropriately.

Mr. Nault: Mr. Speaker, I can understand—

Mr. McCreath: Why don't you just tell him to get out of the gutter?

Mr. Speaker: The comment that the Chair just heard is not helpful either.

Mr. Nault: Mr. Speaker, if the member opposite had seen the air crash and been there as I was, he may think a little differently about his comments.

Some hon. members: Hear, hear.

Mr. Speaker: I wonder if the hon. member, who obviously has a very intense and appropriate interest in this, would put his question.

Mr. Nault: Mr. Speaker, I do have a question for the minister.

Some 19 months after the Dryden crash, the Dryden airport lost its full-time fire-fighting service. A report issued three years before the crash stated that north-western Ontario was a dangerous flying zone and the accident rate in this area was higher than the national average.

I put this question to the minister. Will the minister assure this House today that Justice Moshansky's recommendations dealing with the Dryden municipal airport's crash, fire-fighting and rescue services will be implemented immediately?

Hon. Jean Corbeil (Minister of Transport): As I mentioned earlier, Mr. Speaker, in August 1991 I established an implementation team consisting of over 20 persons from within Transport Canada, the employers, the associations and the labour unions, to prepare a program to implement the recommendations.

We have already acted on 49 per cent of these recommendations. The implementation team will be working on all the recommendations. I have taken the stand that I will be making public a report within six months of what exactly the implementation team has done from today until that time.

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MUNICIPAL INFRASTRUCTURE PROGRAM

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance.

Yesterday the government had a chance to show leadership by getting people back to work in this country by launching a broad program to upgrade infrastructure across Canada. Instead the Minister of Finance spent his time insulting people.

Why did this government not act to achieve the 63,000 new jobs that a municipal infrastructure program would bring? Why will it not close tax loopholes and use that money to increase our infrastructure and put people back to work?

• (1450)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the meeting that was held over the past two days among first ministers was a very productive meeting.

There were a number of topics covered including the issues of infrastructure, training, international trade, interprovincial trade, agriculture and fisheries. All sectors are experiencing difficulty.

I think that the communiqué or the decisions that were issued which form part of the communiqué clearly indicate that infrastructure is a priority, particularly highway infrastructure. I invite the hon. member to read the decision that was taken with respect to highway

infrastructure, a national highways policy, and I think he will be encouraged by that.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact there was no new money committed by this government to the program which the Federation of Canadian Municipalities suggested of $1.5 billion a year, something that would have put 63,000 people back to work. I say to the government that that is shameful.

I want to ask not just about the infrastructure program but about transfer payments too. Why will this government not simply admit that it is wrong to pay only 31 per cent of the cost of the Canada Assistance Program for the province of Ontario when it promised to pay 50 per cent of those costs? Why will the government not pay its share for the cost of the recession which it created?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, transfer payments to the province of Ontario have risen at an annual rate of 6.2 per cent per year since 1984–85. That is an increase of over 60 per cent since 1984–85, a total of $10 billion out of the $39 billion that will be provided to the provinces in fiscal transfers and in tax transfers.

The premier of Ontario wants us either to tax more or drive up the deficit. He even went as far as saying that he might want to take a bit away from the have not provinces in the form of equalization payments.

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DRYDEN AIR CRASH

Mr. John Nunziata (York South—Weston): Mr. Speaker, I would like to get back to the Dryden air crash.

When the Deputy Prime Minister was Minister of Transport, he stated in this House on January 30, 1986 that safety was the number one priority with regard to air safety. Again on the issue of air safety, on June 27, 1986 the Deputy Prime Minister who was the Minister of Transport at the time said, and I quote: "Neither are we prepared to sacrifice safety, nor shall we".

My question for the government is this: Why did the Deputy Prime Minister mislead Canadians?

Mr. Speaker: Just a minute. The hon. member has set up a preamble and then put a question: "Why did the Deputy Prime Minister mislead Canadians?"

The hon. member may want to say: Why did he inadvertently mislead Canadians, but the way the question was put I think it is a straight allegation that whatever he was doing must have been pretty well intentional.

I would ask the hon. member who knows that we cannot accept that to consider his position and put a question which I can accept.

Mr. Nunziata: Mr. Speaker, it is obvious that the government was negligent at the time. The minister assured this House and assured Canadians that it was safe to travel the skies, to take aeroplane rides in this country. We now know, through the work of a royal commission and through the words of a Supreme Court judge, that this accident was allowed to happen. Someone had to allow this accident to happen.

Surely the issue is one of responsibility. This government and that minister must take responsibility for the fact that 24 people were killed in an airline crash at Dryden in 1989. Will the minister accept responsibility on the part—

Mr. Speaker: I am sorry, but I think the questions are moving rapidly out of order. I am going on to the next question.

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TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, yesterday the First Ministers' Conference on the economy reached little agreement on any questions of substance, and that at the very time the United States and Mexico are marshalling all their resources to take advantage of North American free trade.

In place of the so-called prosperity agenda that this government launched, what is this government prepared to do to help Canadians meet the competitive challenges of freer trade? Why must it take three more years to achieve freer trade even among our own provinces?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I have to respond to both the preamble and the question.

The government has done a number of things to help companies become more competitive. Five items in the recent budget of the Minister of Finance are directly related to improving the competitiveness of Canadian companies. Just before Christmas there was a package of announcements that helped the trucking industry meet the competitive challenges it is facing. Those are two examples that provide in a very fundamental way assis-

tance to Canadian companies to become more competitive.

My hon. friend asks about the interprovincial trade barriers. As far as I am concerned I would like to see those dealt with right away, but they are barriers that are established by the provinces. We have taken the initiative as the federal government in pushing the process along. We have set a timetable. We have set specific elements in the timetable, and we are committed to reaching that objective at the earliest date possible but no later than 1995.

But it is up to the provinces to make the changes in their legislation because it is their legislation which is imposing the barriers.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, it is not sufficient for this government to forgo its responsibility for interprovincial trade barriers. It knows it can provide leadership and it lamentably failed to do so yesterday.

It is not only in that area it failed to act. There was no immediate commitment at the conference yesterday to adjustment assistance or to job retraining.

Can the minister explain what retraining and adjustment programs the government plans to offer in the event of a North American free trade agreement? How will they be strengthened and co-ordinated with the provinces? What is this government doing?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I do not know what the hon. member is talking about when he says that we did not provide leadership.

The federal government is calling the meetings. The federal government is establishing the timetable. We set the objective of 1995. We are forcing the issue. If my hon. friend has any other ideas as to how we can provide more leadership than that, let him say so, but let us just forget the loose rhetoric.

As far as his particular question on adjustment, there was a discussion at the meeting yesterday on adjustment, as I understand, and there is an agreement on the part of the provinces and the federal government to look at the over 400 programs of adjustment provided by the federal and provincial governments.

As far as the federal government is concerned, we have made some significant movements in increasing the level of training as a result of Bill C-21, which his side delayed for a full year. That is increasing the amount of funding for training by $750 million. That is a major contribution to helping people train and retrain in response to the changing economic circumstances.

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NUCLEAR INDUSTRY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the minister of energy.

The Atomic Energy Commission has been negotiating for many months now for the prototype development of the CANDU III reactor and the establishment of a centre for nuclear excellence in Canada to manufacture and market that reactor around the world.

Most of those negotiations for years have been going on with New Brunswick and suddenly last year a deal was struck with Saskatchewan. That province has withdrawn and I read in the Canadian press earlier this week that a deal is now being negotiated with Alberta.

I would like to ask the minister how many suitors are in line for this development. What is the status of the matter at this time?

• (1500)

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, first of all regarding the Saskatchewan deal, the point to be made is that the deal expired on March 20. I will be meeting with Saskatchewan representatives on March 31. If they want to reverse the decision they have announced prior, I will be willing to hear that from them. We will wait for any further decisions on Saskatchewan until I have that meeting.

Regarding the Alberta situation, I was as surprised as anyone to read what was happening. I have informed AECL that it is not to follow the relationship with Alberta as it was doing the last number of days. I think that relationship has now ended.

Third, in respect to New Brunswick, the member is right, we have been dealing with New Brunswick a long time and remain open with New Brunswick to see if we can conclude a deal on Candu III.

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ENERGY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister for International Trade.

Yesterday, as the minister will know, the Minister of Energy, Mines and Resources threw Canada's strategic energy industry wide open to American ownership and control. At the time, the parliamentary secretary to the energy minister said that this had "nothing at all to do with" the North American free trade agreement.

This government gave up one of Canada's last levers of control over our own energy industry and got nothing in return for this astounding sell out. What else does the government plan to give away in the great Canadian fire sale; softwood lumber, water, medicare, the north?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, how about the member for Edmonton East?

Some hon. members: Hear, hear.

An hon. member: They wouldn't take him.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I responded to that question yesterday, but I will do so again.

The decision that was announced by the Minister of Energy, Mines and Resources yesterday is related to the specific condition of the energy industry in Canada which I think my hon. friend is well aware of. If he is not, he should be. The rules that have been in place have resulted in an evaluation of assets in the hands of Canadian firms that is less than the evaluation of assets in the hands of other firms. This is to put the oil and gas industry on the same basis as other industries, such as the manufacturing sector.

My hon. friend, if he was in the House yesterday, would have heard me comment on the relationship between this and the NAFTA. In my judgment there is no relationship here. It would not have resulted in any negotiating leverage, as is suggested by my friend.

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TRADE

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my question is for the Minister for International Trade.

In reference to the FTA adjustment programs, the Prime Minister said: "We shall ensure that innovative and generous adjustment and retraining programs will be introduced whenever required".

With Canada now on the verge of an important trade deal with the United States of America and Mexico, is the minister willing to immediately introduce to this House the adjustment programs which were promised during the last federal election campaign?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend I am sure will realize that flowing from the Prime Minister's comments there is a commission headed by Jean de Grandpré which was designed to review the adjustment programs of the Government of Canada and make recommendations. That commission had representatives of business and labour on it. One of the key recommendations was to increase the amount of training programs to make it easier for individuals to move from one occupation to another.

As I said in response to his colleague, that has been done. We have increased that amount by $750 million. It would have come into place faster except his party held up the legislation for one full year.

Mr. Speaker: I will come to the hon. member in a moment. There may be several points of order. I know the hon. House leader of the Official Opposition wishes to raise a matter and I will hear him and I will hear the hon. member for York South—Weston.

I have to announce as follows. Since today is the final allotted day for the supply period ending March 26, 1992, the House will go through the usual procedures to consider and dispose of supply bills.

In view of recent practices, do hon. members agree that these bills be distributed now?

Point of Order

Some hon. members: Agreed.

* * *

POINT OF ORDER

QUESTION PERIOD

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, prior to me putting my usual business question, I seek the guidance of the Chair.

The Leader of the Opposition as well as my colleague from York South—Weston asked a question of the Deputy Prime Minister in his capacity as the leader of the government on the floor of the House of Commons.

Statements were referred to regarding comments made by the Deputy Prime Minister in his previous incarnation on the floor of the House of Commons.

The questions that were asked of the Deputy Prime Minister, I suggest, Mr. Speaker, and I seek your guidance, were made to that minister in his capacity as the leader of the government asking as to whether or not this government assumes responsibilities for a very, very serious report with regard to the Dryden air disaster.

I seek the assistance of the Chair to indicate as to why the Chair was so quick to rule those questions out of order.

Mr. Speaker: Let me respond to the hon. member for Cape Breton—East Richmond.

I do not know that I was that quick. I was listening pretty carefully. Second, the thrust of the questions as I remember them—I do not have the "blues" in front of me—was basically directed at a former minister as to whatever capacity they may have been asked now as to whether or not that former minister ought to do something, for instance, resign.

It can be argued, I suppose, that there is a fine line here, but that is the way I ruled at that time and I guess we are stuck with the ruling. I cannot undo it.

I will look very carefully at the exchange and I will see if I can assist members. The hon. member has asked why. There is the reason. When I look at everything that was said, perhaps his question will seem very pointed indeed.

I am just saying that at the time that was my impression of the situation and that was my ruling.

The hon. member for Cape Breton—East Richmond, I think has another matter to raise before we get into the usual question which arises out of another argument that took place this morning on a procedural point.

Mr. John Nunziata (York South—Weston): Mr. Speaker, with regard to my questions during Question Period, you ruled both of my questions out of order.

The first question was ruled out of order, not on the basis that it was directed at the wrong minister but on the basis that I was accusing the minister of deliberately misleading Canadians. I did not say that.

In my question, I asked the government why Canadians were misled when the former transport minister assured Canadians that safety was the number one priority.

A judge of the Supreme Court of Alberta has now concluded that this accident "was allowed to happen but there was some responsibility on the part of this government". It seems to me that it was an appropriate question to ask.

There was no suggestion that the minister deliberately misled the House on numerous occasions in 1985, 1986 or 1987, but the facts now bear out that contention that in fact the minister did mislead the House. Safety was not the number one priority of this government at the time. Restraint was.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, on the same point, I must object to going on and on, repeating into the record that misinformation and so on.

The hon. member stood up and quoted remarks of the Deputy Prime Minister when he was formerly the Minister of Transport and then asked why the minister misled the House and misled Canadians. In other words, he implied that what he was saying was false and then said: "Will he resign?"

• (1510)

Citation 367 of Beauchesne's is very clear, very straightforward. "A question may not be asked of a former minister seeking information with regard to transactions during his term of office".

The question was out of order, quite properly decided so by the Speaker. I do not think this should be as an opportunity to repeat accusations by way of this point of order which was ruled out of order in the first place and

ought not to have been asked by someone who respects the traditions of this House.

Mr. Dingwall: Mr. Speaker, I know you have made your ruling and I accept your ruling. You were going to reflect, check the "blues", examine *Hansard*, perhaps check the tape.

I just want to clarify for the Chair that the Leader of the Opposition did not ask for the resignation of any minister involved in the process. In fact the Leader of the Opposition asked as to whether or not the Deputy Prime Minister would assume responsibility on behalf of the Government of Canada, which I suggest to the Chair is quite a distinction in terms of what the government House leader has just said to my colleague for York South—Weston. There is a major distinction.

I do not think it inappropriate that colleagues on this side of the House, when ruled out of order by the Chair, rightly or wrongly, however one wishes to perceive that, should have an opportunity to ask questions of the Chair so that they can clarify any misunderstandings or interpretations that they may have of the rules of this House in order to preclude another opportunity in the very near future to ask a question which might be out of order.

That is the intent of the hon. member. I find it rather disconcerting that the government House leader would stand in his place and try to dictate the policy which the Chair should follow and indeed what this House should follow.

Mr. Speaker: Let everybody back up for a few moments. Much of this Question Period has been taken up with what amounts to a national tragedy. As a consequence, some very tough questions have been asked. Some answers have been given. We have had a bit of a procedural disagreement as to whether or not some questions should have been allowed or should not have been allowed.

I do not think it is in keeping with the gravity and sadness of the issue to carry on now and get into a long procedural debate about what the "blues" may or may not show.

I am trying to co-operate with all sides on this matter. I will look at and consider it. The hon. member for Cape Breton—East Richmond does accept my ruling and does realize that once having made the ruling, that is where we are.

I have not been adverse to hearing members from time to time if it is helpful in asking for some clarification. Perhaps I can do that. I think we should let this go for now and accept the fact that I will look at it and discuss it further with members.

I am concerned about one other matter. Several perhaps. One, there was an argument about noon with respect to an amendment. I would not ordinarily do this because the argument was pretty well closed off. If the hon. opposition House leader wishes to address me shortly on it, I will hear it. Then I will have to go and make up my mind. I have already done some consideration. If the hon. member for Cape Breton—East Richmond wishes to do that, I will hear him briefly.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am wondering if I might just pose a business question and then give you a brief intervention with regard to the admissibility of the amendment. Perhaps the hon. government House leader could indicate to the House the business for tomorrow, Monday, Tuesday and the remaining part of the week.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, tomorrow the government will call Bill C-21, debt servicing and reduction, for debate at report stage. On Monday, we hopefully will be able to complete the debate on Bill C-21.

On Tuesday, it is my intention at this point in time to call an allotted day. I will confirm that on Monday. In terms of business for the rest of the week, I would like to use the usual channels and discuss with the opposition House leaders the business for the remainder of next week.

* * *

POINT OF ORDER

ADMISSIBILITY OF AMENDMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, briefly, there was some discussion earlier this day with regard to the admissibility of the amendment which was put forward by my colleague which reads in part:

Point of Order

That the motion be amended by deleting the period and adding the following:

—and implemented by the actions of the NDP premiers of Ontario, Saskatchewan and British Columbia to close health care centres, dismiss health care personnel, reduce health care services, all of which is a direct, inevitable result of the withdrawal of the federal government from its long-standing obligations to support health care in Canada.

Standing Order 81, subsection (11) says:

Opposition motions on allotted days may be moved only by Members in opposition to the government and may relate to any matter within the jurisdiction of the Parliament of Canada and also may be used for the purposes of considering reports from standing committees relating to the consideration of estimates therein.

I suggest that this particular Standing Order 81(11) is as wide as possible but it would prevent an allotted day on a purely provincial matter such as rural drainage, municipal infrastructure or anything of that nature.

However, in our system of complex intergovernmental relations, particularly on the subject of health care, where there is assured jurisdiction both provincially and federally, I would think that for the purposes of Standing Order 81(11), any motion put under this standing order must fall inherently within the jurisdiction of the federal government. Any matter that does not fall within the federal jurisdiction cannot, under this standing order, be put to the House.

If Your Honour reads the amendment, it refers, of course, to provincial jurisdictions. I make no mistake of that. But it also refers very clearly and unequivocally to the withdrawal of the federal government from its long-standing obligations to support health care in Canada.

Just because the withdrawal of federal government is nowhere mentioned in the main motion but is mentioned in the amendment, should not preclude us as an opposition party from submitting that amendment.

I would suggest that if logic is to follow and Your Honour were to find, based on the grounds that this particular amendment is beyond the scope of Standing Order 81(11) because it is not within the federal jurisdiction, you would logically have to find that the motion itself is inadmissible. Therefore, the main motion would be ruled out of order.

I think that in the fitness of time, so to speak, when the Chair looks at the amendment and looks at the main motion you will see quite clearly that the subject matter we are debating is in perfect order. It is in keeping with the main motion with the exception of the words "withdrawing of federal government support".

I suggest that after a close examination of Standing Order 81(11), if one were to include the words "federal government" it is quite appropriate, thereby making the amendment an appropriate amendment in which this House should have the opportunity to give an adjudication whatever their beliefs may be.

Mr. Speaker: I think I should give the House notice. This matter was very thoroughly debated this morning. Out of courtesy, because I was not in the chair and I will have to make the ruling, I have indicated that I would hear further argument briefly.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I will make my comments very brief. I appreciate that we did have a discussion earlier on the appropriateness of the amendment. I want to make two points to my hon. friend, the government House leader who made a valiant effort to suggest it ought to be in order.

When the Chair looks at the amendment it refers specifically to New Democrat provincial governments. The main motion refers explicitly to Liberal governments. Under the rule of relevancy, Mr. Speaker, if you were to support the amendment, the discussion and debate in the House would have to be focused on the amendment exclusively. In other words, the discussion would have to focus around the activities of New Democrat provincial governments, which would be in direct contradiction to the thrust of the motion.

• (1520)

Mr. Speaker, obviously in your position, the rule of relevancy is enforced and I know my hon. friend, who is going to replace you shortly, always enforces the rule of relevancy. It would be impossible to do that under the amendment being proposed by my hon. friend.

Mr. Speaker: I am getting mixed signals from the loyal opposition. The hon. House leader.

Mr. Dingwall: Mr. Speaker, there is only one Official Opposition in this House, if I might remind the Chair. I suggest to the Chair that my hon. friend from the left has made his point.

He talked about relevancy. The issue and the test ought to be, that if one is so certain of the substantive part of the case, the case ought to be made in order to give the test which has been drawn to the attention of the House, so that all members will then be in a position to make a final adjudication on the floor of this House.

To suggest, because one provincial government versus another provincial government is irrelevant and ought not to be put to the House is in my view backing off the debate and being very afraid to put the case before this House.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, you mentioned that this was debated earlier. I was here through the whole morning, through the entire debate. Madam Speaker raised this but she did not allow any debate on the floor.

I went with the mover of the amendment to one of your advisers and we had a brief discussion. I used to give your adviser the same arguments as our House leader made and that is why I will not take the time of the House to repeat them.

Mr. Speaker: Just a moment. I may have received some gross misinformation. I thought that there was quite a number of members up on this matter. The hon. member has indicated that there was not. I am puzzled.

Mr. Flis: It is my error, Mr. Speaker. I understand there were brief interventions but the Speaker reserved to rule on it.

My argument to your adviser was that if the amendment is out of order, then the motion would also have to be ruled out of order because it is dealing with provincial matters, not the federal government.

Mr. Speaker: Perhaps I can take the matter away and look at it carefully. I will come back as soon as I can. I thank hon. members for their interventions.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—HEALTH CARE

The House resumed consideration of the motion of Mr. Karpoff (p. 8826).

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I believe I had something like 13 minutes left for my remarks.

I want to begin with a little bit of history which I think is important. Medicare began in this country in one of the poorest of our provinces in the middle of very depressed economic conditions by a government that did not represent a large population.

It is important to take it back to those roots. It clarifies something which is vital to understanding what medicare is all about. Medicare is not free medical care for anybody. Medicare is about the co-operative movement. It is about people bonding together to provide for themselves as a group those things which they really could not accomplish as individuals.

I watched *Canada AM* this morning. I saw a very prominent Canadian physician talk about free medical care. That is wrong. There is no free medical care in Canada that I know of. You and I, Mr. Speaker, all of us in Canada pay for our own medical care through our taxation process. It is a co-operative movement. It is not about getting something for nothing. It is about sharing all of our resources collectively to provide for a common need: medical care.

Until about 1977 there was an agreement in force between our provinces and the federal government that the cost of his particular program would be shared evenly between the provinces and the federal government on a roughly a 50 / 50 basis.

I happen to have been the health critic for the New Democratic Party in the Ontario legislature at the time when block funding was introduced. At that time many of us had a concern that centred around that shared cost.

There were many advantages, I suppose, to block funding, to changing the funding formulas. They became more complicated. Supposedly they provided more flexibility, but the one thing that concerned many of us was

that it would take away that basic share, that simple straightforward notion that the provinces and the federal government would be equal participants in medicare.

That, of course, has turned out to be the truth. The shift has been downward. One can argue and of course many will that more dollars go to some provinces than others, that more dollars go now and the percentages may be less, but the truth is that most of our provinces are well below the shared equal funding technique that was used in 1977. Most of them have dropped to somewhere in the low to mid-thirties as a percentage of the funding for medicare that they get in their province.

In a place like Ontario, or Quebec, or any of our industrialized provinces that are very hard hit by this depression, there is an immense cash flow problem at the moment. It has put traumatic squeezes on a number of things, and one of them is medicare.

As a critic who had an opportunity in the 1970s to go around and look at hospital and health care in Ontario—and many people here have had the same opportunity—as you go across Canada you will see some magnificent concepts in providing medical care. You will see some of the world's finest technology. You will see some of the world's finest practitioners. You will see some of the greatest facilities we have ever been able to conceive in terms of providing medical care in place. You will also see some of the problems that people talk about, hospitals across the road from one another that do not even talk to one another, let alone co-ordinate the care that they provide as new technology comes into the field of health care.

Vast expenditures of money are needed now that were not even conceived of 20 or 30 years ago. We have equipment that costs $1 million or $2 million just in capital costs to get the equipment in place. Then of course one facility wants to have exactly the same kinds of equipment as the facility across the road, and across Canada.

Many people have tried their best to co-ordinate the provision of health care services, to provide district health councils, to look at community health care clinics, to look at health care centres, to provide for prevention, to look at a number of ways in which one could be more cost effective in the providing of medical care for our citizens.

It is not an easy task and there are those who work in the health care field across Canada who have been aware of this for many years now and have been trying to improve the use of tax dollars. They know it is difficult. There are a number of vested interests at work that have key decision-making positions.

I am often reminded that in many of our urban centres with high-tech facilities, downtown Toronto being an example, some days you will find the world's finest physicians practising medicine, with great technology and great care, and great back-up teams.

Other days you will find virtually no physicians at work in that hospital facility and the care is provided by nurses, technicians and other people who have been given special kinds of training on special kinds of equipment.

The nature of the provision of medical care has changed a lot in the last two decades, and it is about to change a good deal more. Provincial governments all across Canada are struggling now to turn the provision of health care into something that is non-traditional.

In many parts of the country others who were the first people into the medical care system struggle, for example, midwives across Canada—even though it seems that the giving of birth is something that has been around for a long time, and midwifery as a profession has been around for a long time—have not been recognized for very long. In the giving of birth there is a range of facilities available, from midwives in the home to very high-tech units in urban centres.

We try to match up how we get people from rural areas or the far north for example into these high-tech centres and provide transportation systems that are useful. That is not an easy thing to do but I am aware that people are trying to do that. The unfortunate thing is to introduce a cost squeeze in the middle of this or to divert the argument into something like user fees as being a solution is unfortunate.

• (1530)

Now these are not new notions. They have been around for some time. For example, in many parts of Canada we have looked south of the border and we have said: "We are not going to establish some new technology in the provision of care for the human heart, when somewhere across the border there is a similar institution that has all of the equipment and personnel now.

Why don't we send our people down there?" We have tried that.

One of the lessons we have learned is that in the United States health care is a business, as opposed to Canada where it is something other than a business. But in the United States, the first motive driving the health care system is making money. The Americans accept that; Canadians do not.

In Canada, if a doctor challenges the right or the ability of a patient to pay for health care at the door of the hospital, there is quite a fuss about that. Every once in a while an incident of this kind happens. There is quite a fuss because Canada is a place where supposedly, you cannot be denied care simply because someone has challenged your ability to pay. That is news in Canada. That is not news in the United States. In the United States that is daily practice at almost every hospital, because almost every hospital is not a public facility but rather a private business. So there are distinctions to be made.

For a long while in Canada we used to say: "Well, in some fields we simply do not have the facilities". An example of this would be in matters of addiction, drug addiction in particular. "Why don't we use some of those wonderful facilities we hear about in the United States and send our people down there?"

We soon find out about the business part of health care in the United States. We soon find out that there is absolutely no accountability in the process at all. If an American hospital is offered an unending amount of money, it will take the unending amount of money. No question about it. And the provision of care is the second consideration, not the first.

We have learned some hard lessons. In many of our provincial governments and in many of our local hospitals we are now going through the long tough grind of trying to provide reasonable, rational health care for our citizens. That is not an easy task.

If there was a simple solution to this it would have been thought of long ago. There is one thing that is just beginning to dawn. This whole concept is just beginning to come back to people like myself, the politicians in Canada. That is that there is very little we can do in Canada that does not sooner or later wind up at the door of a hospital, at a medicare facility. Now we do not think of that very often, but it is true.

I was reminded a little while ago when we embarked upon great campaigns informing people about AIDS and about the use of drugs of exactly how many people die in this country because of those compared to the number of people who die in this country because of accidents on our highways. It is dramatic.

Now all of us would tend to say: "Oh yes, the use of drugs. That is directly respondent to a medical care system". But the connection between the number of people who die on our highways and in hospitals is made most dramatically by those people who are involved in the accidents, and not thought of often by those who are not.

Workers who die in the workplace because of the conditions there are not always thought of as being a medicare matter. It is sometimes considered to be workers' rights or occupational health and safety. Occasionally environmental considerations come into it. But when workers get sick because of the place where they earn their living, the second place they go to is the hospital, the medical care system.

We had a committee on child poverty. They began to talk a little bit about how sensible it is to take a young mother with poor nutrition habits, who has a child within her, and refuse to feed her before the child is born. At a certain point in time, people say that a child is an expense and when the child is born we will know how to cope with that expense. But until the child is born we do not recognize that and we are not prepared to deal with that. Even a hard-headed business person ought to be able to recognize the cost effectiveness of seeing that the mother and child are fed properly as opposed to not doing that and then dealing with the medical ramifications for the rest of the child's life. Those of us who have been teachers have seen that in our schools. Those of us who have been social workers have seen that on our streets.

The ramifications of almost all that we do in our society come back to our medical care system. That is a tragedy that has not been dealt with. One should look at the hard-headed economics of this. I suspect the government of the day wants only to look at the economics of it but look at the long-term economics of it. Look at the cost to Canada, the cost to our taxpayers. Look at the cost to our citizens of not providing decent health care, a

rationalized system, but as good as we can for the dollars that we have. That is what is missing today.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I welcome the comments made by the previous speaker especially because of his experience in the provincial legislature before coming to this House.

When I heard that this was the debate this morning, I called the hospitals in my riding, St. Joseph's Health Centre, the Queen Elizabeth Hospital and the Runnymede Chronic Care Hospital, which serves my riding, the west end of Toronto, and a bit of Etobicoke. The complaint that I hear most often from the hospitals is that the costs of running a hospital have gone up drastically. This is through no fault of the hospitals.

As an example, they tell me of the increase in UI payments that the hospitals have to make, in workmen's compensation payments, the OHIP costs and the pay equity costs. These are all additional costs that have been brought in by the federal government with the UI increase and by the provincial governments with the pay equity. That total varies from hospital to hospital, but the increases have gone up as much as 15 per cent and more.

Now they tell me that what the government, the provincial NDP government, is giving the hospitals is a one per cent increase. Now how can a hospital operate when two higher levels of government have laid on a 15 per cent increase in operating a hospital and the NDP government comes along and gives a one per cent increase.

With the hon. member's experience here and in the provincial legislature, I would like to hear some concrete suggestion how we can come out of this. The hospitals cannot survive at this pace. Hospitals that are providing love and care and dignity in people's senior years, especially chronic care hospitals such as the Runnymede Chronic Care Hospital, are going to fold.

It is the motion of the NDP. I wonder if we could have a concrete suggestion here to solve this dilemma.

Mr. Breaugh: Mr. Speaker, I welcome the question particularly since I visited most of those institutions, when the Tories were the government in Ontario and later on when the Liberals were the government in Ontario. The arguments have not really changed a great deal.

It comes down to this. Through three political parties, we have all come to the same conclusion. There is a need to sort out, not in the short-term but in the long run, how our institutions function. For example, I saw the premier of Ontario address the problem in a way that I think is substantive and worth while and I would recommend to governments across Canada.

The Liberals, when they were the government in Ontario, closed hospitals down. It did not do much good. That has been tried. That is not a solution. When the Tories and the Liberals were in government in Ontario, they closed hospital beds. That is not a solution. The alternatives, user fees, closing beds, closing hospitals, are not solutions because they are not the problem.

The solution that has been put forward by many across Canada now is the one that all of us should use as our model and should start to think about. That is, all who are part and parcel of the health care system, not governments on high, not administrators on high, not doctors on high, not anyone on high, but everyone who is involved in the process must now sit down and rationalize the whole system of providing medical care.

It should go from top to bottom, not excluding anyone, starting with the chief administrative officer in any hospital and going right down to the person who cleans the floors. Each and every one of them should be an active participant in evaluating and assessing and deciding how the system will go from there. That is part of the solution.

• (1540)

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, as a constituent of the province of Ontario, one of the so-called have provinces, I have been watching what the NDP government and the premier of that province have been doing to our health care since they got elected.

I have been watching carefully the erosion of our right to have medicare. The member said that we in Canada are given care and if we are denied the care, it makes headlines.

It is not unusual that in the States, when going to a doctor, the first thing looked at is that gold American Express card. If you are lucky to have similar other cards, those will be looked at. But some of our constituents and

some of our people do not have these American Express cards or anything else.

Yet, we in the province of Ontario clearly are facing the deterioration of our medicare. I know he will agree with me, but what I want to say to the member is that the approach taken by the New Democratic Party today was maybe not the right approach that we have to sit down and talk about medicare, as the minister said: "We have to discuss it".

It should not be one-sided, and it should not be partisan. The question that I have to ask him is the following: Does he not see that if we go into NAFTA, the North American Free Trade Agreement or if we go into free trade the way that we went with the United States, then we are moving into that situation of using a gold American Express card in order to get an operation? This government should take responsibility for that. Clearly that will hurt the medicare system in Canada.

Does he not see that that clearly will put a burden on our medicare and the way that we are going to look after our citizens?

Mr. Breaugh: Mr. Speaker, when the Liberals were the government in Ontario I supported the introduction of what was referred to as a smart card. It was an OHIP card which would allow the province of Ontario to track who was using the medical system and what kind of services were provided to them. It would keep track in a more efficient way what was happening in the health care system.

That is a good solution. It is not an ultimate solution. It did not solve a whole lot of problems, but it is one of the things that we do not know about the provision of medical care services in Ontario and in Canada that I think we should know. That has not been exactly a crashing success, but I remained undeterred. It was a good idea at the time and I said so. I still think so.

The member has raised an interesting concept for all of us. As I said in my remarks, in the United States health care is a business, without question and without apology. It is a simple and straightforward business proposition for profit. That is about as far away from the medical care system that we in Canada know and enjoy.

Unfortunately, in places like Mexico and many other countries in the world, it is neither a medical care system such as we know it or a business as the Americans know it. It exists in no form that we would even recognize, much less so than in either of those two well-established countries.

I share a little bit some of the concerns about the free trade agreement with the States and with the North American free trade agreement. That will be further erosion of what we in Canada have come to treasure as being very important to the nature and the culture of our country. I share that concern with him.

Mr. René Soetens (Ontario): Mr. Speaker, I would like to ask the member for Oshawa a question, recognizing his immense experience in the provincial legislature as it relates to health care. Of course, his constituency and mine are side by side. We have experienced similar problems in probably all issues, but certainly in the health care issue.

The province of Ontario is undergoing some problems in health care, not unlike the rest of Canada. I have heard the minister of health in the province of Ontario say that in fact it is not the money that is the problem.

The member made reference that the solution is a combined solution that everybody must participate in. With that comment in mind, I would wonder why it is that the New Democratic Party has been so critical of the federal government when it says: "These are the dollars we have available for you. That is all you are going to get", when the minister of health for the province of Ontario is saying the same thing to the hospitals: "This is all the money we have available for you. This is all you are going to get. You will have to collectively work within that framework". Is that any different than what the federal government is saying to the provinces when it says it is only going to give 2 per cent more, or whatever the dollars are?

Mr. Breaugh: The member and I share a certain part of Ontario and that is about all we share together. I do not mind that, it is fair ball.

The question he has put to the House is an interesting one. Were we not in a self-generated depression here, the cries of financial failure from all across Canada would be somewhat different. The political reality is, as someone else said, that Ontario is a have not province.

In the good old days, Ontario was a province that could share with other provinces in Canada that did not quite have the same economic and industrial base. It could share moneys without any difficulty at all. But today, in the middle of this depression, Ontario unfortunately has joined the ranks of those who do not have extra cash. Therefore, that poses the initial problem.

The second thing is that it is compounded when the federal Government of Canada reneges on its agreement. When the federal Government of Canada does not pay its fair share, the province of Ontario has more than a right, an obligation to join with other provinces and cry foul.

Those agreements are things that the provinces and the people of Ontario have a right to expect the federal government to respect to the very iota of intent. That is why they are crying foul. It is not one province, it is a lot of them, all at the same time saying that the federal government is not carrying its fair share of the responsibility. That is an argument this government had better listen to.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I will be very brief. When the member for Oshawa began his remarks, he cited remarks made by the Quebec premier on Bill C-120 where they talked about possible user fees. He quoted Premier McKenna and Premier Wells talking about this dilemma of health care. He was very selective in his remarks about Liberal governments.

It is very important that he remember what the NDP treasurer for the province of Ontario said on January 13, 1992, talking about this dilemma we have with health care and the difficulties we are all in. I am certainly not condoning the federal government's cutbacks in transfers to the provinces, but it is important that we have on the record what the NDP have said in the province of Ontario, and I quote: "Unless we get the system operating in a way that is in keeping with our ability to pay for it, we will see user fees or free enterprise medicine. God help us all". That was Floyd Laughren, the treasurer of the province of Ontario.

I am not trying to take a shot at the member for Oshawa or Mr. Laughren, but I get a little bit uptight when the NDP sometimes comes on like they are the only ones with answers and the only ones who really care about the health care system in this country. We all care. It is a difficult issue.

The Acting Speaker (Mr. Paproski): I do not know whether that is a comment or a question. The hon. member has an answer. If he would like to comment briefly, I will listen to him.

Mr. Breaugh: Mr. Speaker, very briefly. I want to apologize for reading into the record the quote from *The Ottawa Citizen* from Clyde Wells and the quote from Frank McKenna in the *The Globe and Mail*. I think we also read from *The Montreal Gazette*. I apologize for reading into the record of the House of Commons the direct quotes from newspapers across Canada of various Liberal governments.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Before I recognize the hon. member for Eglinton—Lawrence, the Speaker would like to make a ruling.

• (1550)

SPEAKER'S RULING

Mr. Speaker: As hon. members know, shortly after Question Period there was a further extension of a point of order which had been brought this morning relating to the amendment by the Official Opposition to the motion which has been proposed in this allotted day by the New Democratic Party. As I say, there was argument this morning and further argument this afternoon. I of course am indebted to all hon. members for their contribution. By the way, I have read back through the arguments that were made this morning.

The Chair has considered the arguments that were raised earlier today by hon. members on the proposed amendment by the hon. member for Winnipeg North. As stated in Erskine May's 21st edition, page 339:

> The effect of moving an amendment is to restrict the field of debate which would otherwise be open on a question.

I am going to repeat that:

> The effect of moving an amendment is to restrict the field of debate which would otherwise be open on a question.

The hon. member for Sudbury pointed out that the intention of the amendment was to expand the scope of the debate, and although it may be a laudable objective, unfortunately it is, in my view, out of order procedurally.

Other members, including the members for Winnipeg Transcona and Winnipeg North, mentioned a new proposition being introduced or made reference to citation 929 of Beauchesne's sixth edition. The Chair feels the amendment must not provide the basis for a different debate.

Furthermore, as explained in the Chair's ruling of March 16, 1971, when the opposition parties agree on the choice of subject for an allotted day, and I am quoting Speaker Lamoureux: "the spirit of fair play would require that the day not be taken away by means of an amendment".

The Standing Order requiring notice would be pointless if, after notice had been given, the motion were amended to make possible the consideration of an entirely new facet of the question.

There was further argument given of course this afternoon and I certainly listened to it, but I do not think I need to make further comment than what I have done. As a consequence, for these reasons I will have to rule the amendment out of order. That of course does not preclude another amendment being moved.

ALLOTTED DAY, S. O. 81—HEALTH CARE

Mr. Riis: On a point of order, Mr. Speaker.

Before I listen to my hon. friend from Eglinton—Lawrence, and I await his remarks with interest, I simply want to remind the House that today we are debating appropriation bills. One is $1,175 million and the other appropriation bill is $13 billion-plus. This is a very serious debate. Obviously this is an opportunity for members to register their concerns.

Depending on which speaker we are listening to, we are hearing concerns in terms of the erosion of health care in the country.

I was simply wondering if my friends from the government party plan to participate in the debate. It just seems to be inappropriate that we should have such an important debate without any participation from my colleagues from the Progressive Conservative Party.

Mr. Speaker: The hon. member may have questions as to why someone is or is not rising. I do not think the Chair can intrude. I am going to return the chair to my colleague.

As I have said, hon. members may wish to put another amendment, keeping in mind of course the comments of the Chair.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, several points have been made over the course of debate in the morning and have carried on over the course of the afternoon. To show that we are not partisan at all in this debate and that we do have the interests of all Canadians at heart, I want to compliment the hon. member who just completed his debate because, quite frankly, it took me a little bit by surprise. Up until that point, the party that had been moving the amendment had been completely fruitless in its presentations, totally devoid of substance and completely off the mark when we were talking about medicare. What they had initially started to talk about was simply a finger pointing exercise. The hon. member in spite of his presentation had begun with a finger pointing exercise directed at provincial premiers of the Liberal Party.

He has now changed his tune. He wants to talk about the substance of medicare. The rest of his intervention read like an apology for what is going on in Ontario specifically, but with all NDP governments throughout the country. It is unfortunate that we are reduced to this kind of a debate. It is unfortunate that the hon. member for Oshawa was reduced to making an apology for members of his own party who have been indicating that they are the stalwart defenders of all that is holy and all that is sacrosanct in this country, including medicare.

All through the debate they have been more scarce than government members and government ministers. I am glad that there is at least one to listen so that we can get some of the things on the record.

My hon. colleague from Oshawa indicated earlier that he was willing to debate substance. He did that in response to my hon. colleague from Winnipeg—St. Boniface. While my colleague from Winnipeg—St. Boniface is not here to throw out the challenge again, and throw out the gauntlet for him, he has suggested that there is an opportunity for us to debate the substance of medicare and our relative position on it.

Since the NDP has reneged on the opportunity to do so in the House today, my colleague from Winnipeg—St. Boniface, or in fact anyone from this side of the House, is willing to debate the member for Oshawa, if he can muster up enough support of any other member from the rest of his caucus on the question of medicare and social assistance programs, anywhere. We will even go to Oshawa.

The apology that the member would have us all consider includes the fact that poor Ontario no longer has any cash, so it cannot deal with medicare in the way that it would have wanted to deal with medicare. That does not prevent members of the NDP from pointing fingers and saying: "Look at those nasty Liberal provincial premiers. They are actually talking about considering ways to take a look at medicare. They are looking at perhaps restructuring the way that we deal with the finances of medicare".

Meanwhile Ontario, my province, much to my chagrin, although it is not my government, has already given an indication of what it will do. In fact, the premier of Ontario lets his actions do his talking and not his accusations. He will be judged by what he has done. Remember what we are talking about is the principle of universality and accessibility to a medicare program.

Even a few government members have taken the trouble to point out that it has been Liberal federal governments that have established the building blocks of medicare and hospital programs throughout this country. Even they acknowledge that we are on the side of what is right because history speaks with its facts on behalf of what we have done. We will be judged by our record.

Here is the NDP record. I am only going to read part of it here, largely because I cannot see all of this writing without my glasses. In the central region in this last budget, can you believe because we are talking about universality and accessibility, you have got to have a facility to go to. You have got to have health professionals for any assistance that you need. But where are they? You can maintain the principle of universality and accessibility to everybody, but if you close the door on them, and you do not provide the service, what good is that rhetoric?

In the central region, York County hospital will lay off 90 employees and close 90 acute care beds. In metropolitan Toronto the NDP Government of Ontario, the premier of the NDP, host of defenders of what is right at Mount Sinai Hospital, in an attempt to save $3.6 million will lay off 59 full-time and 31 part-time employees on April 1. What a surprise, including 51 registered nursing assistants and laboratory workers.

• (1600)

In the Hamilton-Niagara region, Joseph Brant Memorial Hospital plans to lay off 80 full-time and part-time employees. In addition to staff reductions, the hospital will close a 34-bed acute care unit, cut another by 12 beds and cut financing for its community health service centre.

If this is what the NDP government of Ontario wants to put forward as its indication, its hallmark, its standard of what constitutes universal health care and medicare, what it considers is standard for the principle of universal access to medicare throughout the country, then I would hope that the mover of this motion would have the courage to stand up and say, "Yes, we will be judged by our actions while we wag our tongue at those nasty Liberal premiers who are actually considering what might happen".

And for what? Because the member for Oshawa says we must take a look at all the ways to save money. We have to look at this because we do not have any extra cash.

Is this in fact true? I indicated earlier in a question that the province of Ontario, when the NDP government took control, was in a surplus situation, no deficit.

An hon. member: Oh, come one.

Mr. Volpe: It seems we have discovered that when truth speaks even stones hear.

We went from a surplus situation to that first budget by an NDP government when there was an increase to a deficit situation of some $9 billion.

I was pretty good in math but I still cannot count that far. In one year the government, the NDP Government of Ontario, went out and gathered up, through debts, another $9 billion to do what?

Mrs. Gaffney: It's all those Amex cards they carry around.

Mr. Volpe: Of course it must be some of those credit cards. You are right.

If the principle of universality was not the main theme, if the medical health program was not the main theme, if the hospital system in Ontario was not the main theme, or the encouragement of all health care professionals to stay in the province of Ontario, then for what did they raise this money?

If we are going to be judged by our actions then the NDP members who have proposed this particular motion should do a *mea culpa*. Perhaps an examination of conscience might be a first step.

The province of Ontario is suffering greatıy, there is no question. I indicated before that the recession induced by the government opposite has created a terrible economic environment for Ontario. Its manufacturing base is decreased by about 25 per cent. If we cannot raise taxes from Ontario, from where are we going to get funds to distribute to all Canadians.

What we are doing is killing the goose that lays the golden egg.

That does not mean that the money is not there for Ontario. In fact, when it comes to transfers from the federal government to Ontario for health care and services, Ontario received 41 per cent of the over-all total. Now that is my province with 36 per cent of the population.

Yes, there have been reductions. I regret those reductions but I cannot accept the argument that there is no money coming to Ontario. What I can accept is that the government of the day is being irresponsible with the way it is using that money. It is being irresponsible in the same way that the government is being with its economic policies.

Then it comes crying to the general public and says it has no money. It has to close down these hospitals, but it still believes in universality.

It says it is sorry that patients have to wait from two to eight months before they can get to see a specialist, before they can receive the care that they need because the province does not have any money.

But it really does believe that everybody should have access to health care whenever they need it, whenever they want it, but do not need it for another eight months my friend.

Some of this silly frivolous nonsense is spilling over on to the NDP. They are using an allotted day to point their fingers at other premiers who are thinking about ways to get around the problem. The province of Ontario decides that the solution is to borrow $9 billion last year, $11 billion this coming year, to provide the kind of services that it says is essential. I believe they are essential but that the province should be responsible in the way that it administers the money it borrows.

There is no question in my mind that what is happening is a great scam and the NDP caucus at the federal level is now standing up for the provinces at great risk to itself by introducing such a frivolous motion. It is a silly motion to hide the fact that the provincial Government of Ontario and the other provincial NDP Governments of Saskatchewan and British Columbia are going to engage in some massive tax increases that are going to make them very unpopular by trying to point the finger at federal or at Liberal provincial premiers elsewhere.

Canadians are fed up with that kind of tactic. Canadians are fed up with tax increases. The Conservative government opposite since the 1989 budget alone increased taxation by 16.5 per cent. That followed what they trumpet as the largest and the most productive economic period in Canadian history. They would have had more money from the economy than they ever would have needed, yet they increased taxation by a further 16.5 per cent.

Worst than that, they did what the NDP government in Ontario and the NDP government in Saskatchewan is doing, and what the NDP government in British Columbia is threatening today and that is increase the public debt and the deficit in order to save the day. The government opposite since 1989 increased the public debt by 27.3 per cent. I shudder to think what the NDP governments in those three provinces, including my own province, are going to do in the upcoming budget.

I shudder because I know I have to pay that bill. I know that my colleagues and my constituents have to pay that bill. I know as well that every time the government opposite at the federal level increased its rate of taxation, the provincial governments sneaked in with an additional portion. They received a cut of that tax increase without having to admit that they were raising taxes.

My colleague for Broadview—Greenwood would say this would be a great time to talk about a single tax. I hope he gets an opportunity to deal with that. At least, it would deprive some of these provincial premiers of the opportunity to scam a few more bucks out of the unsuspecting taxpayer.

What I do object to, aside from the fact that taxation has increased so much, is that as it takes your money out of your pocket, it turns around with crocodile tears and says: "But really, we do not have any money, we have to cut services. We cannot give you health care, we cannot give you education grants any more, we have to reduce this, we have to reduce that. Believe me with my hand on my heart, I believe in universality. I believe in the public good. We are pristine still in the way we abide by our ideology. Please do not ask us to prove it because the proof is in the pudding".

What we see are tax increases, cuts in services and a total abdication of the responsibility that comes to an incumbent in office.

I do not agree with my colleague who spoke earlier about there being an equal partnership in the medicare system. In principle it is true. But what has happened is that on one side the government of the day at the federal level is saying: "It is time the provinces carried their load". And on the other side the NDP provincial governments, especially in Ontario, are saying: "I am sorry, but we are going to wash our hands of this. Our federal cousins please point the finger elsewhere". We cannot have that.

• (1610)

Therefore, I am going to move an amendment to that motion. My amendment is seconded by my hon. colleague from Broadview—Greenwood and the hon. member for Winnipeg North who is not in his seat. He is anxious to be part of this.

All my colleagues present have come to this House like the rain in spring—which we finally see today—and which brings new life to Parliament and to this debate.

I move, seconded by my colleague from Winnipeg North and my other colleagues here:

> That the motion be amended by deleting all of the words after the word "system".

The Acting Speaker (Mr. Paproski): May I have a copy of the amendment? The hon. member can continue with questions and comments while I have a look at the amendment.

Mr. Karpoff: Mr. Speaker, on a point of order, before the Speaker rules on the validity of the amendment I would presume that he will give us an opportunity to take a look at it and present arguments as to whether we think it is a legitimate, appropriate and a procedurally correct amendment.

The Acting Speaker (Mr. Paproski): I think once the Speaker rules on it, it will be validity enough. Yes, it is a good motion.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I want to thank you for your wise decision. In fact, there was a meeting of minds on this important issue, because after the Speaker and you yourself, advised by the able officers of this House, had ruled the first amendment we submitted to the House out of order, I immediately went to see those same advisers at the table and suggested they insert a period. While I was discussing this with our friends and advisers, our critic, the member for Winnipeg North and also the member for Eglinton—Lawrence already had the text of this amendment, which is quite in order. I want to thank you for having ruled immediately, prima facie that it was in order.

We can now debate "that this House express its concern at the threat to Canada's health system". That is what the NDP should have said, instead of trying to embarrass members who have a lot to say about our health system. There is widespread concern among Canadians, and what was said by my esteemed colleague from Toronto and other members has certainly raised some questions in my mind.

In a society, there are a number of choices to make. When public moneys become scarce, certain priorities must be identified. Obviously, the first thing people in my riding think about as they grow older is health care, which is the centrepiece of our social programs and must not be tampered with. Although I try and see them as often as I can, I must apologize to the people who are listening and who would like to see us more often. Unfortunately, in Ottawa the House sits five days a week, eight or ten months a year. And the same applies to hon. members opposite. When we visit senior citizens' homes, their main concern is not where to spend their holidays, because often they cannot afford holidays, but they want the assurance that they can count on proper medical care.

[*English*]

I regret that the NDP has chosen this kind of approach for such a very serious subject. By politicizing this important issue, we are obliged to become partisan. As far as I am concerned, the government has the responsibility which it will take when it votes. We have the responsibility to talk about a real subject. I am glad that my colleague from the opposition—there is no such a

thing as an Official Opposition. There is only one opposition, and other parties. It is a concept that we always say the Official Opposition and the other opposition. There is in the British parliamentary system only one opposition, it is Her Royal Majesty's Loyal Opposition; the others are simply parties.

They have chosen to attack only Liberals. As we say in law "face value". It is, I regret to say, almost ridiculous. It is like everybody else, the three NDP parties, as my colleague said, were perfection on earth. Mr. McKenna in New Brunswick and M. Bourassa in Quebec and, as far as Newfoundland is concerned I will pass, no comment.

[*Translation*]

Finally I would like to say that Quebec is certainly not a novice at health care administration. The minister and the cabinet are doing everything they can to have the best health care system in the world.

[*English*]

Mr. Heap: Mr. Speaker, I understand that you found the amendment of the member from Eglinton in order, which means that all the words after the word "system" are deleted.

Can you explain to me whether that means it would be in order to discuss the particular policies and practices and statements of particular provincial governments or provincial officials, or would it not be in order?

The Acting Speaker (Mr. Paproski): I find no problem with that. I think that is relevant.

Do you have another point of order?

Mr. Heap: One further clarification.

The objection being made by some members of the Liberal group was that we should not be talking about certain premiers and their statements, and so on. I had supposed that the purpose intended by the amendment, which you have accepted, was to rule those out of order. Therefore, I thought it would perhaps be in the same way out of order to introduce criticism of people who had made that criticism.

The Acting Speaker (Mr. Paproski): I will watch the debate very carefully, and if I feel that members are stepping out of line I will call them back to relevancy.

If the hon. member for Saint-Denis would come to a conclusion, please.

Mr. Prud'homme: I will come to a conclusion, and I always like listening to my dear esteemed colleague from Toronto.

It is only a comment I was making for the true meaning and intention of what was put to us for discussion. The true meaning of what was in front of us for discussion has been put aside by Mr. Speaker as a result of our amendment. So I will bow to that and be more relevant.

I can say that this House expresses its concern at the threat to Canada's health care system. People always like to do some Quebec bashing. I was only, as a good member of Parliament from Quebec, as you would expect from a member from Ontario, defending my government when it needs to be defended here. That is what I was trying to do.

Having said that, I will come back to that later on in my speech, most likely. But I wanted to say that I was extremely stimulated by the comment made by my colleague from Eglinton—Lawrence. That was why I spontaneously got up while I was preparing for an amendment that was already put forward by my colleague, and I thank him for that.

I shall come back during the debate, if time allows.

• (1620)

[*Translation*]

Mr. Volpe: Mr. Speaker, I thank my colleague from Saint-Denis. I feel obliged to accept his compliments and I hope that in future if something I say makes him want to take part in the debate, he will do so. That would make me quite happy.

[*English*]

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a couple of questions for my hon. colleague. He talks about the fact that we should talk about the record. I would ask him to make a couple of comments about the record of the federal Liberal government when it was in office as it relates to the cutback in expenditures for health care. He is very careful to say that it is the Tories who have been cutting back on transfer payments.

Let me just give a couple of figures and then I would like him to comment. In 1979–80 transfer payments to the province of Ontario accounted for 47 per cent of the health care expenditures. By the time the Liberals left office in 1984, this had been reduced to 41 per cent. It was further eroded to 34 per cent and now today there are figures showing it is 31 per cent. The reality was that the erosion started with the Liberals in 1980 and by 1984 when they left, it was down to 41 per cent.

In my own province of British Columbia, by 1994–95, we will have lost $6.8 billion in cutbacks in transfer payments and EPF. Out of those, $2.6 billion or 40 per cent nearly are the direct result of actions taken by the Liberal government in 1982 and 1983.

Those are the actions of the Liberal government. It was the one that started the erosion of the health care system and the erosion of the provinces' ability to pay. I would like him to comment on those two figures. Are those not the actions of the federal Liberal government? Did it not start cutbacks to the provinces for health care?

Mr. Volpe: Mr. Speaker, I thank my colleague for the question. I would have hoped that in the calculation of the numerical and financial impact of the decisions by Liberal governments of the day with respect to health care that he would not have used the actuarial type of figures that are currently bandied about with respect to all kinds of potentials that emanate from pension plans.

I would have hoped that he would have stuck with the absolute figures as they related in 1983 and 1984 dollars. He has not chosen to do that and I choose not to answer hypothetical questions from the past.

On the second item, it might be appropriate for my hon. colleague to remember that those agreements were precisely that. They were negotiated agreements between the federal and provincial governments of the day that determined what would be the proportion of federal contribution and what would be the proportion of provincial contribution. That is not the case right now.

I think the fact that three provinces took the federal government to court on its unilateral actions would indicate that initially when those cuts were made they were done in the spirit of negotiations and they were accepted according to the conditions of the day.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the motion before the House put forward by the NDP is in itself a false motion. It does not tell the truth.

In other words, the mover of the motion from the NDP has been day dreaming or perhaps he had a dream last night in which he claims now that the premier of Newfoundland wants to forgo universality and embrace user and deterrent fees for health services. That is not true.

Why can somebody not now move in this House an amendment saying that the leader of the NDP is opposed to universality? Why not? This is a fib here. This is not true. It is a downright fabrication of the truth. I cannot say it is a lie, I cannot call anybody a liar. I know that, but it is a fabrication of the truth. It is not true.

Perhaps the member moving the motion does not know that it is not true. I do not know, but I am telling him now that it is absolutely untrue. How do you vote on a motion that contains false information, that has dug up something that says the premier of Newfoundland made a statement and has put forward a position which is not true? When the motion is put, how do you vote on it? Can you vote for it or can you vote against it when you know what is contained in the motion is false, completely and utterly untrue, never said by the premier of Newfoundland, never, not in writing. He has never said it in his speech, he has never said it on the radio, he has never said it on television. It is a fabrication, an outright untruth by the NDP, spreading rumours about what a premier of a provincial government said.

If the NDP had shown the honesty that they should be showing, they would have gone back and found out what the premier of the province of Newfoundland said and they would have discovered—

Mr. Karpoff: On a point of order, Mr. Speaker.

I am requesting clarification of your ruling that the Liberal amendment was in order. The way I interpreted what you had said is that you agreed the motion would stop at the area where it says health care system, that the other parts of the motion that had been moved by the New Democratic Party were no longer permissible for debate.

The hon. member is getting up and he is not focusing on the first sentence that is now what is before this House. He is focusing on the very subject that the—

The Acting Speaker (Mr. Paproski): I was listening very carefully to the hon. member and I was going to call him to relevancy. I was busy talking to another member here at the chair. I appreciate what the hon. member for Surrey North has said and I would appreciate it if the hon. member for Gander—Grand Falls would come to relevancy, please.

Mr. Baker: Mr. Speaker, I was coming to the point that I wanted to make, but I first of all had to make it be known that there is a rumour circulating around here, put forward by the NDP, that the premier of Newfoundland made certain statements which he did not make and which are not on the official record anywhere.

Now, getting to my point. My point is this, Mr. Speaker, and I will be very brief about the point I am about to make. The most important thing in this country is our health care system. The most important thing in this nation that we have to protect is our health care system and provincial governments in this country, especially the poor ones, that is the poor provincial governments that do not have the funding to enable them to provide the same level of health care that we have in some other provinces in this nation, that have to close hospital beds, that are unable to buy the equipment necessary to provide good health care in 1992, having the equipment and being able to put up the heavy cost of operating new equipment.

The provinces find themselves in a position where they are just unable to foot the bill. The very area where this federal government has cut back is in the transfers for those very things.

• (1630)

As the hon. member for Broadview—Greenwood has pointed out on many occasions, they have allowed through our tax system, a decrease in the amount of money that flows to the Government of Canada through our income tax system from very wealthy Canadians and very wealthy corporations in this country. It thereby decreases again the revenues flowing to the provincial governments through our income tax system.

When filling out an income tax form, if you are residing in the province of Newfoundland, you fill out the form and come to the federal tax payable. Then you take 62 per cent of it and that is what goes to the provincial government.

When there are individuals in this nation who make $500,000 a year and pay not one penny of income tax as we have under this government, and the numbers are rising, then you know that the revenues to the provinces are drying up.

The Auditor General put it quite simply back in 1987 when he said in his report that members of this Chamber and the Parliament of Canada are always trying to produce a more energy efficient engine and no matter how much they make it energy efficient, they are still finding that the same amount of fuel is being consumed, until they discover tiny holes in the gas tank. The Auditor General called it tax expenditures.

The Government of Canada has done nothing about it. Provinces like Newfoundland have found that through the tax system their revenues have dried up. Their revenues have started to go down. The transfers from the federal government have started to go down. And here they are trying to operate a health care system and hospitals on both those decreases in revenues.

In conclusion, I take strong exception to anybody who makes a statement about the premier of Newfoundland who is trying to do his best, honest as the day is long, day by day trying to run a province on very little money. To have anybody misquote him in a statement before this House, I hope the NDP now will have the honesty to stand up and say that he did not make this statement ever and that they withdraw it from the record of this Chamber.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, in response to my Liberal friend from Gander—Grand Falls, he got rather excited as is his tendency and that is fine. This is the place to get excited when you feel strongly about things. He seemed to suggest that the basis of the motion put forward by the New Democratic Party today was somehow based on falsehoods.

Particularly he mentioned comments that we suggested the premier of Newfoundland had said. Quoting here from *The Ottawa Citizen* of December 30, 1991, the newspaper story was: "Social programs. Wells questions universality", and I quote Premier Clyde Wells of Newfoundland: "We may have to look at the whole principle

of universality in our social programs and look at the extent that we might have to limit the universality".

He goes on: "Canadians would probably be open to such changes if politicians are honest about the state of the country's finances".

He goes on further: "I do not think people would be hostile to that type of change as long as they are aware of the economic problems that we face".

I do not think it is stretching anyone's imagination too far or even a little bit to suggest that quote as I just read it, if it is reasonably accurate, and we assume that it is because we have not heard anything specifically to the contrary, lends full credibility to the suggestions put forth by the New Democratic Party in its motion today.

If there are any apologies to be forthcoming regarding this matter, I would suggest that they come from my friend from Newfoundland and certainly not from the New Democratic Party.

We stand by the submissions we have made. We think the point we have been making all afternoon is well taken.

Mr. Baker: Mr. Speaker, here is the NDP again.

Based upon a quote in a newspaper, a newspaper column quoting a provincial premier as the hon. gentleman put it, the NDP puts forward a suggestion in this House that the premier of Newfoundland, because of that quote in *The Ottawa Citizen*, wants to forgo universality and embrace user and deterrent fees for health services.

I can tell you this. I listened very carefully to a discussion on television and later on national radio concerning the premier of Newfoundland and what he meant when he said what he said. He did not say what he was quoted as saying in that newspaper article. I listened to it for two days in a row on our national radio and national television system.

I think I got it pretty clear as other Canadians who heard it and saw it did, as to what the premier of Newfoundland meant when he made the statement that he made which was not the statement that the hon. member claims he made in a newspaper that quotes him as saying he made a statement he did not make.

The premier, in his statements, was referring to the fact that in our society today, it has become all to common to have people of extreme means, people who have hundreds of millions of dollars pay nothing to the maintenance of our social security safety net at all. That is what he was talking about when he made his official statement in a speech in southern Ontario.

The premier of Newfoundland is the biggest defender of our health and welfare systems. I can assure you of that. I have known him for many years and I can tell you he is. But it is getting pretty difficult with the cuts that are coming from this government and also the examples given by NDP governments that are cutting back everything.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to carry on from where my colleague from Gander—Grand Falls left off.

I do not think there would be anyone in this country who would ever doubt that Premier Wells has always talked about national programs with national standards. If there is one thing that this country will remember him for, it is the fact that he went to the wall over maintaining national standards.

Most Canadians would really question the NDP's sincerity when it comes to taking a shot at Premier Wells caving in on national health standards. This is just one point that Canadians are not going to buy.

There is a consistency here though with the NDP. During the last election, and I really think we should remind Canadians about this, I remember my leader at that time, the member for Vancouver Quadra, fought a tremendous campaign against this free trade agreement. Most Canadians would agree. If I remember correctly, it was the NDP who tried to suggest that the Liberal Party should just fold up its tent and it would be a two-party system after the last election.

• (1640)

Had the NDP really been sincere about its campaign against free trade, I do not think those cheap shots at our leader would have been taken. We will make sure to remind NDP members if they get into this game too often. All of a sudden they seem to think there is a bit of a surge or something happening in the polls, although I

do not see it right now and instead of taking on the government, they take on the Liberal Party.

To politicize the health care issue the way it has today and I am a member of Parliament from Toronto, I am from the province of Ontario, Canadians will not buy the fact that the NDP care more about the health care system than other members in this House.

I want to read some quotes from NDP ministers. I hate doing this because on a debate like this today we should really be putting our creative processes to work. We should be finding ways to be more efficient with the health care system in this country, certainly without cutting back on the service, the access, or all the things we cherished in this country, and the things that have made us so special.

Here is a quote from the treasurer of the province of Ontario, Mr. Floyd Laughren on January 13, 1992: "Unless we get the system operating in a way that is in keeping with our ability to pay for it we will see user fees or free enterprise medicine". God help us all.

I want to read another quote from Frances Lankin, another prominent NDP member, on November 9, 1991: "I don't know if there is a way in which we can build a system, a drug benefit program that is fair. It might involve looking at a co-payment structure".

Here is Michael Decter, the deputy minister of health, November 14, 1991, and I quote directly: "Do we want to pay for cholesterol-lowering drugs for people over 65 when the advice is that they do almost nothing to reduce their health risk? Should we continue to pay for useless treatment? We are looking very hard at the type of services delivered and what are the outcomes". And I quote directly from the NDP deputy minister of health: "For instance, we spend large amounts of money treating lung cancer which frankly does not do much good".

Regretfully I lost my father to lung cancer about three months before I was elected to this House. I want you to know that the hospitals in Ontario, the Princess Margaret Hospital, and other hospitals in that province do not feel they are wasting their time and they feel that those services, trying to save lives, are every bit as important.

I am so upset at this NDP motion today. In my riding of Broadview—Greenwood there is Riverdale Hospital. It is the largest chronic care hospital in this nation, close to 800 beds. This is a hospital that is 100 years old. In Toronto's oldest community newspaper *The Cabbagetown News* for Riverdale: "Future of Riverdale Hospital Remains Uncertain, Community Gathering to Discuss Options".

I cannot believe that that would be happening in my riding which had been an NDP riding for 25 years. Just the fact that they are even tampering with health care is beyond belief. The NDP is causing so much uncertainty in health care in the province of Ontario that it has no right to put forward a resolution in this House today casting aspersions on all other members of this House. This kind of sanctimonious stuff is not going to sell across this country. This is a tough and complex issue and Canadians know it. There is no way that we are going to let the NDP get away with this one-way trip.

In the central region of the province of Ontario, York County Hospital laid off 90 employees and closed 90 acute care beds last year. The Mount Sinai Hospital just laid off 59 full time and 31 part time employees, including 51 registered nursing assistants and laboratory workers. The Joseph Brant Memorial Hospital in Hamilton-Niagara is shutting down beds and laying off people. The county of Bruce General Hospital in the southwestern region, a hospital that enjoys a number one efficiency ranking when compared to its peers across the province, will lay off nine part-time nurses, freeze salaries and close 20 beds. The Sudbury Memorial Hospital in the northern region laid off 12 people, the majority of whom are nurses. The Kingston Hospital in the eastern region is closing beds. I could go on and on.

The problem is that the financial resources that this nation requires to maintain the health care system of this country are large and Canadians know it. It is a tough and complex issue.

I had hoped that the NDP would have put forward a motion today where it would have challenged all members to put forward some creative ideas. I want to give you an example. St. Michael's Hospital in Toronto last year on efficiency in linens, towels, bedsheets, et cetera, operating linens, in one year saved $250,000. If that is multiplied by every hospital in the province of Ontario or every hospital in the nation then we could maybe get at things.

In my riding of Broadview—Greenwood, I have two of the finest hospitals in the province, Riverdale Hospital, as I mentioned earlier, the largest acute or chronic care hospital in the country, and the East General Hospital. In the last six months, both of these hospitals have come under attack. I think if the NDP is really serious about health care in this country then it should be asking all of us in this House for help.

The NDP right now is in charge of the largest hospital care unit in the nation, namely in the province, and it needs our help. When it starts to politicize the issue, the debate goes nowhere.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am pleased to ask a question of my colleague from Danforth. Before I ask the question, I would like to say this. I have been really saddened to hear the debate and to read this motion that is before us today. I think that we have slipped as parliamentarians for the people of Canada. We have slipped and slipped very badly.

When a motion by a party is put forward of the type that we have here today for debate, when we have a health care issue in this country that, as the member for Broadview—Greenwood said, we should all be discussing, that we become this partisan for someone's own personal reasons, I think it is a disgrace. I find it absolutely disgraceful.

I would like to hear the comments of the member for Broadview—Greenwood. He did mention the fact that during the last election the NDP did not challenge the government on the free trade issue. The Liberals were the only party to challenge the government on that issue. I am thoroughly convinced that we would not have a Conservative government in this country today if the NDP had fought the free trade agreement as we did in that last election.

• (1650)

Mr. Mills: Mr. Speaker, as I mentioned earlier to my colleague, I would not be sitting here today if it were not for the debating skills of the right hon. member for Vancouver Quadra. If the NDP had not taken so many cheap shots at him who knows where we could have been, maybe on the other side of the House.

But I want to address your point about politicization which you made in your opening comments.

I have a paper here in my hands from Michael M. Rachlis, MD, who wrote the book *Second Opinion*. He is a constituent of mine. He is a member of the New Democratic Party and is probably one of the most brilliant people in this country when it comes to reform and change in the health care system in this country. I am sure that members of the New Democratic Party agree with my judgment on Dr. Rachlis.

I have put this paper forward. I have put his book forward on the floor of this House more than once, and I will continue to do so. The NDP should go to Dr. Rachlis' book which talks about ways and means of reforming and bringing more efficiency to the health care system of Canada. Had that been the thrust of our debate today we would have served the people of Canada a lot better.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am delighted to hear the member talk about Michael Rachlis' position. If members have heard his position, one of the things that he diametrically opposes is any form of user fees, a two-tiered health care system or deterrent fees.

What I find very interesting in this whole discussion today is that the Liberals are standing up and saying we should not have raised the issue. Shame on us, we should not have raised the issue. I have not heard any of them stand up and flatly say: "We in the Liberal Party at all levels, federally and provincially, repudiate the introduction of user fees."

That is what is sticking in their craw, they cannot say that because there are several prominent Liberals in this country who are repeatedly advocating that as a solution to medicare.

We have not denied that there are problems, that there have to be changes and innovations. We certainly have not denied that the financial squeeze that the Liberals and now the Tories have put on the health care system is creating problems. But we have said clearly: "One solution is we will not abandon our principles".

I would ask the member if he will stand up and on behalf of his party, at all levels of government, repudiate the introduction of user fees and deterrent fees.

Mr. Mills: The people of Canada—

An hon. member: Will you or won't you?

Mr. Mills: Yes. I will tell you one thing, for the Liberal Party of Canada—

Mr. Samson: You are attacking the federal NDP.

Mr. Mills: Yes, I am attacking the federal NDP.

Mr. Samson: You are attacking the provincial NDP.

Mr. Mills: I am giving you direct quotes from the province of Ontario. I can only speak for the Liberal Party of Canada and the Liberal Party of Canada has always maintained that in no way, shape or form should we tamper with the health care system of this country. When it comes to universal health care, my leader has said that, my former leader has said that, and all of our leaders will say that, and Clyde Wells—

Mr. Samson: The provincial Liberals, do you support them or not?

The Acting Speaker (Mr. Paproski): I would appreciate very much if you would allow the hon. member to answer. I still have another questioner.

Mr. Mills: As the member for Gander—Grand Falls said earlier, there is no stronger person in this country committed to national standards and national programs and not just in health care. We all know that in this country.

I think he cited the premier of New Brunswick. I cannot speak for the premier of New Brunswick. I do not speak for the city of Toronto, any more than he speaks for Premier Romanow.

When I was responding, I was giving direct quotes from the position of the NDP in the province of Ontario. I was only giving those direct quotes to point out the fact that even in the province of Ontario, which is a fairly wealthy province, they too as NDPers are finding it very difficult to deal with this complex issue.

In the process of debate, in the process of looking at options and alternatives and ways of maintaining the health care system, some of their own members, including their treasurer and their health minister and their deputy minister of health have put forward ideas that suggest they are not endorsing national standards.

I will put it right on the record now. I for one moment do not believe that the remarks of Frances Lankin or Michael Decter are carved in stone, that they are against treating people with lung cancer. He is throwing out hypotheses here, not very bright, for advancing debate.

My point is in the process of advancing debate, do not grab some little clip that somebody makes and try to make it a national story.

The Acting Speaker (Mr. Paproski): The hon. member for Calgary Northeast on a very short question or comment.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I listened with interest to the hon. member. As I do not have much time I would like to ask him a short question. He was mentioning St. Michael's Hospital in Toronto.

As we know, the budget for hospitals has been increased by 1 per cent. St. Michael's was obliged to close 100 beds, so naturally the service cannot be as good. They have discovered at St. Michael's that they have a debt of $63 million that apparently was lost somewhere in the accounting, but now they are aware of it.

Naturally there is a question of debt for some of the hospitals and if there is no increase in funding, I wonder how he sees them managing to provide good services.

Mr. Mills: Mr. Speaker, as I have been saying all afternoon, this is a very tough, complex issue. In order to handle the deficit, the debt of this nation, we have to expand wealth. We have to create more wealth. I make no secret, I am a single tax person. We have to reform the tax system. That gets more productivity going in this country, which will generate more wealth. That will ultimately give us the resources we need to look after the deficits of these hospitals.

This is a long, complex equation we are involved with here. I certainly am not trying to simplify the difficulty of it. If we are going to expand wealth creation in this country, we are going to have to start treating people more fairly through the tax designs. I think that is our only shot and the current system we have in place is a disincentive to that wealth creation.

Mr. Karpoff: Mr. Speaker, this is a supply day debate. I would like to read what it says about this: "It is a fundamental element of the principle underlying financial procedures of Parliament, the idea that Parliament does not grant supply until the opposition has had the opportunity to demonstrate why it should be refused. This opportunity takes the form of debate on designated supply days".

In this House this afternoon we have not had a debate because the federal government—

• (1700)

The Acting Speaker (Mr. Paproski): Order. I would just like to say to the hon. member that the next speaker is the hon. member for Victoria. He will have 20 minutes, plus 10 minutes questions and comments.

The next two speakers will be the hon. member for Beauharnois–Salaberry for 10 minutes plus 5 minutes questions and comments and his follow up will be Carleton—Charlotte for another 10 minutes and 5 minutes for questions and comments.

If we have more time, I will come back to you.

Mr. John Brewin (Victoria): Mr. Speaker, it occurs to me to begin my remarks by wondering what has happened to the government members. This is supposed to be a debate on supply, but we will have an opportunity, I gather, to hear from some government supporters before the debate is over.

This motion is before the House to give all of us an opportunity to look at the growing concern there is in this country about health care and to examine the position of all parties in this House, including Her Majesty's Loyal Opposition, which purports to hold itself out as an alternative government in this country. It is important that the people of Canada get an opportunity to hear the position of the Liberal Party on this critical issue because all Canadians have been concerned increasingly about the state of our health care and, in particular, our medical insurance program in this country.

The concern began with the successive cutbacks in federal support for medicare, health and education programs. The concern rose further during the free trade debate when it became clear that the government was trading away vital protection for our social programs and beginning to join with the United States in driving down our medicare, our health programs and our social programs in order to harmonize, as the word was, our economy with that of the United States. Concerns were raised during the election campaign and never properly answered. We have seen since that election the government continuing on its path to deprive the provinces of the necessary financial support to sustain a universal, public medical care program in this country. Now that program is under attack.

What we see in the Liberal provinces of this country are the cracks beginning in the principle of universality, accessibility of public medicare in this country. It thus becomes critically important that we hear from the Liberal Party in this House its position. What is intriguing is that in the debate so far, we have not heard the federal Liberal Party make a clear, unequivocal commitment against user fees and deterrent fees for health care. We are still waiting for the federal Liberal Party to make that commitment.

I rise in this debate because I want to recall for the Canadian people some history about medicare.

Mrs. Gaffney: Ha.

Mr. Brewin: My Liberal friend says "Ha". She says "Ha". Let us take it back a bit. The Liberal Party first promised health insurance in this country in 1919. In 1919 it was promised. Election after election after election the Liberal Party promised health insurance and election after election, despite the fact that in virtually all of the elections after that period they formed a majority government, they failed to deliver for the Canadian people.

It was only when the government of Saskatchewan in 1962, without any assistance from the federal Liberal government of the day—

Mr. Harvard: Who was the government in 1962?

Mr. Brewin: My friend makes a good point. It was the Conservatives that were the government in 1962.

Mr. Harvard: Thank you.

Mr. Brewin: I withdraw the allegation: without any support from Liberal governments despite 50 years of promises. When they were finally thrown out by the Canadian people in 1957, what happened? It was only then that the NDP government in Saskatchewan, all alone, without federal support, introduced medicare into Canada. It was at that point and only that point, with the federal Liberals in a minority position in this House, that a national medicare system came into being.

I was in Saskatchewan during the doctor's strike in 1962 against the NDP legislation introduced by the Woodrow Lloyd government, following the government of Tommy Douglas. It was the Liberals who were on the

front line of the Keep Our Doctors Committee who opposed and fought and withdrew the services of doctors against the democratic decision of the people of Saskatchewan to bring in a medicare program. It was the Liberals who turned up later as candidates who led the attack on medicare in Saskatchewan.

I can remember the Hon. Paul Martin, Senior, who was Minister of National Health and Welfare for many years, who took the kind of typical Liberal line of the day, going back to Mackenzie King saying: "We believe in health insurance, but we cannot do it this year". There were always excuses as to why the Liberal party could not produce medicare. It was only when they were politically forced to by the pioneering legislative act of the government of Saskatchewan that the Liberal Party finally caved in and adopted a national medicare program.

Here we are now with government revenues in trouble as a result, I may say, of Liberal tax policies in the 1960s and the 1970s, giving away billions of dollars to the corporate sector in this country, putting the government in irremedial debt, compounded by the high interest policies of this government which has driven us into a recession so that our health services are now again in trouble.

One thing needs to be clear. That is that our party is unequivocally committed to a universal medicare program. We have been in the past, we are today and we will be in the future. We are unalterably opposed to the use of user fees or deterrent fees as a way of bailing out the health care system from the economic ruin the Conservative and Liberal governments successively have put this country into.

It is clear from all of the studies that user fees will not do what is advertised for them. They will not reduce health costs. They will simply transfer the burden of health costs on to those who are least able to afford it. We cannot take a step in that path.

It is a real shame that we in this House have to debate the issues of the increasing pressure on this national institution of medicare. I think if Canadians were asked what it was that held Canada together, if they looked for a single symbol of Canada, it would be our medicare system. The underlying philosophy of the medicare system is not that it is simply a service provided by government, but rather it is an obligation we as a community have to each of our citizens.

We have decided as a country that we want to ensure that medical services are available to all regardless of income and that income is no deterrent to access to medical services. That fundamental social reform that was enacted in a pioneering way in Saskatchewan and then spread across the country has become for Canadians a part of our national heritage and it must not be touched. We must work to preserve it, but we must ensure that in finding the funds necessary to establish an efficient, effective and accessible health care system that we do not look to the poor, but we look to those who have been given so many breaks under the tax system of successive Liberal and Conservative governments.

• (1710)

Here we are fighting to hold a system that is in place. I wish to finish my remarks by saying that I hope that we do not see medicare as the last great social reform in this country. Not only can we preserve our medicare system as a right for all Canadians, for all members of the human family, but we begin to look at other programs in which this principle might be applied.

We have as we look around us the clear reform this country must now move to after we settle our medicare program in place and as we preserve it. Recently in Victoria, I had an opportunity to talk to many parents and child care workers. It is clearly evident that our child care system is in chaos. The workers are underpaid and in many cases, under-qualified. The opportunities and places are inadequate. It is clear that we must take the principles that underlie our medicare system, our universal, accessible, high quality medicare system, and apply that to child care so that the people in this country, particularly the new generation of this country, can have equal opportunity and access to good and high quality services. We owe it to our children.

We have seen in the comments made by Liberal premiers in this country that the Liberal commitment such as it was to medicare is now ending. We have not heard Liberals in this House rise to refute the substance of the argument. They shout with fury at the fact the point is even on the floor of the House.

It is important that this issue be clarified. I think we have heard the answer today and I look forward to the support of the rest of the members of this House on this important motion.

Mr. Karpoff: Mr. Speaker, I wonder if we could seek the unanimous consent of the House to waive the customary 10-minute question and answer period so that the government members who are finally going to get up are allowed to speak their full amount of time.

The House will adjourn at 5.45 p.m. If we take another 10 minutes the two speakers are not going to get the opportunity to stand and enter into the debate. We in the New Democratic Party would be willing to waive our right to a 10-minute answer and question period.

The Acting Speaker (Mr. Brightwell): I have heard the request from the member. I have already had requests for questions and answers.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, we are more than delighted to take part in the debate. Whatever your decision is, we will certainly go along with you.

The question to the member is simply this. Reflecting on part of what he said at his opening, somehow they always drag in the old free trade debate going back to the 1988 election in the sense that it is going to endanger or threaten our health care system in this country. It does hit a raw nerve.

Mr. Brewin: Mr. Speaker, it has just been drawn to my attention the fact that you signalled me to an end with only 10 minutes to go. I have 20 minutes in my speech. You signalled—

The Acting Speaker (Mr. Brightwell): The point is that I was not signalling you to an end of your speech. I was trying to signal the person who was going to ask the question because I had two people asking me. Indeed I am sure if you have more that you wish to use, you have another eight minutes. I am sure the House would agree that you do so.

Mr. Brewin: Mr. Speaker, I would be quite content to leave my eight minutes and turn them over to a member from the government side if the government member would like to use it, if I have that right.

The Acting Speaker (Mr. Brightwell): You did sit down. I believe the government is prepared to put up speakers. I do not think there is any problem this way. In fact, you have used some of the time they would have used. So can we let the hon. member continue his question and then you will answer.

Mr. Kindy: Mr. Speaker, on a point of order, normally there is a period of comments and questions.

I think you did not allow that.

The Acting Speaker (Mr. Brightwell): I thank the hon. member for his advice, but I was trying to do that when I had a group of points of order.

I would like to proceed with questions and comments.

Mr. Thompson: Mr. Speaker, after watching this in the last five minutes, it is no wonder the Canadian people are puzzled as to what we actually do in this House.

To try to sort through some of it, and going back to the member's comments, I do appreciate the fact that there was a little confusion on his length of time. I appreciate his giving up his time to allow us to be engaged in this.

Going back to the old free trade debate, and the one that is always held up, and the idea that engaging in any kind of a trade agreement with any country in the world threatens our health care system, I want to go through a couple of numbers that I would like the hon. member to respond to.

They are in relation to the percentages of Gross Domestic Product, in other words, the resources of Canada that actually go into maintaining a health care system in this country versus the United States.

I agree with the member. We have the best health care system in the world. The fact is that we dedicated fewer financial resources to maintaining the best health care system in the world than the Americans did. They have one of the worst health care systems in the world.

In specific numbers, we dedicate about 9 per cent of GDP to health care, and in the U.S., the figure is 12 per cent. It leaves out 30 per cent of the population.

This idea of that threatening our system is bizarre. Why would we abandon a system that is cheaper to deliver than the American system?

Mr. Brewin: Mr. Speaker, the fact remains that the American system is a complete hodgepodge and many employers in the United States do not have to pay any health insurance costs whatever.

Because of the free trade agreement, our companies and our employees are obliged to compete often against companies in the United States which pay no such costs. It is very clear that the government knew this when it signed the free trade agreement and it has imposed this pressure on the Canadian economy.

That is one element of the pressure that is now on our health care system, and we are seeing it come to pass. Another product of the free trade agreement is that we are in a terrible recession. Job after job has been lost and government revenues, particularly in the central provinces, have virtually collapsed.

The free trade agreement is a contributor to the problem, but it is not the only contributor to the problem. There have been others, and certainly the more recent economic policies of the government, the high interest rates, the GST, have driven the whole country into a terrible position. We all know that. The country knows that and I do not think we need to look past it to understand why our medicare system is now in a crisis.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, when I was listening to the member for Victoria during comments and questions, he talked about Mr. Paul Martin Sr.

I would like to indicate that he was an illustrious member of this Chamber and is a Canadian who tells us he has a real love for the country. He gives a real example of a social conscience in his books which I recommend that the hon. member read.

I am glad that for the first time—I had made this point repeatedly in the past, which the NDP had not acknowledged—the NDP, through the member for Victoria, has acknowledged that it was the Liberal Party that conceived of the idea of medicare in 1919.

Like any human being, an idea has to have a beginning. From the idea, the federal Liberal Party gave birth to our Canadian health care system.

In 1984 we continued to nurture it. Last year on March 19, 1991 we introduced in this House a motion that recommits us to medicare. I am very pleased that for the first time the NDP has acknowledged that the Liberal Party of Canada conceived medicare, gave birth to medicare, and continues to nurture medicare.

• (1720)

Mr. Brewin: Mr. Speaker, the memory of the member for Winnipeg North on these matters is a little short. The fact remains that the Liberal Party had to be pitchforked into it and despite promises election after election, it failed to keep it.

However, I do appreciate the belief and conviction that my hon. friend brings to the subject of medicare. It is unfortunate he has found himself in the wrong party. He was the one who correctly characterized Mr. McKenna's suggestions about user fees and deterrent fees when he stated in an article in *The Globe and Mail*: "It was part of a brainwashing approach" to build support for user fees. I am aghast even at the suggestion. They are certainly building the pressure. I am afraid that it is becoming a trend. All the studies in Canada show we should not adopt user fees. It would hurt the poorest and neediest. The cost of administration would be enormous and it is likely to damage efficiency and equity.

The member understands. Unfortunately his party does not understand and cannot be counted upon to protect universal medicare in this country.

Mr. Joe McGuire (Egmont): Mr. Speaker, as many people have stated here today, we are in a time of great financial crisis across the country. We are finding that hospitals are laying off staff and closing beds. At a time when health care is in a financial crisis, the New Democratic Party of British Columbia has ordered its hospitals, ignoring democratically elected hospital boards, to perform abortions. It has ordered these hospitals to do so. The vast majority of these operations are not medically required. The same philosophy permeates the Government of Ontario.

I wonder how the member from Victoria can justify these actions at a time when there are line-ups for life-saving medical treatments.

Mr. Brewin: Mr. Speaker, I am grateful to the member for offering me an opportunity to say how proud I am at the action of the Government of B.C., particularly the minister of health who provincially represents the same area that I do in the federal House, the hon. Elizabeth

Cull, who has had the courage to offer the women of British Columbia, particularly the interior of British Columbia, the choice of medical services in this respect. I am very proud of what she has done and I am very glad the member has given me an opportunity to put that on the record.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I wanted to pose a question to the hon. member for Victoria.

Everybody says we have the best medical care system in the world. The problem is that to have a bypass operation in Vancouver, British Columbia, you have to wait a year. It was suggested that some people should go to the United States to have the operation performed there. How does he explain that?

Mr. Brewin: Mr. Speaker, I understand that is not true.

I acknowledge that there are some terrible difficulties in the medical system in this country. The issue is how we resolve them. One of the real practical problems is generated by the genius of medical science, which has created all kinds of opportunities to keep some of us older folks living a lot longer than we might otherwise live. We get into questions of priorities and choices that we have never had to face before. At least we are trying to struggle with the concept that the choice should not be determined by the size of a person's wallet.

I certainly support the B.C. government.

The Acting Speaker (Mr. Paproski): The hon. member for Beauharnois—Salaberry and then the hon. member for Carleton—Charlotte.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister responsible for Constitutional Affairs): Mr. Speaker, those watching us on television this afternoon must really wonder what is going on in this House when New Democrats continually attack Liberals and Liberals attack New Democrats. It is time for some members on this side to get up, but I suspect that it was arranged with the Liberals, because they are so eager to be in power that they told the NDP, "Attack us. We will know what it was to be in power".

Mr. Speaker, I commend you for your wisdom in accepting an amendment to the resolution. Everyone should perhaps look at what happened yesterday and the day before, March 24 and 25, in Toronto, even though some partisan attacks were made at the first ministers' conference. The worst thing I saw there was when a premier told the Prime Minister that to get a constitutional agreement he would have to offer some economic incentive. I find it absolutely horrible that one would put this country's future on the same level as public works announcements or things like that.

Mr. Speaker, I congratulate you on accepting the motion that would remove all partisanship from it. I am pleased to mention that on the 25th and 26th, the first ministers met in Toronto. They came back with the agenda they had decided on February 10 and they agreed to share among themselves the various issues that they had put forward then. They worked together on ten fields of activity.

Mr. Romanow and Ms. Cournoyea agreed to handle the famous issue of effectiveness and efficiency in social programs, especially the difficult and critical matter of health care. They will speed up their work and I think that we will have at least preliminary results in two months.

Bob Rae and Mr. McKenna will look after training programs. Gary Filmon agreed to direct the work on interprovincial trade. Foreign trade will come under Mr. Harcourt, agriculture under Mr. Romanow, and infrastructure will especially interest or at least come under Mr. Cameron of Nova Scotia.

Fisheries will be Premier Wells' responsibility. The federal government agreed to concentrate on the issues of fiscal and financial co-ordination, another difficult and crucial area.

Regarding health care, it was decided to speed up the proceedings. Two months from now, there will be a meeting of federal, provincial and territorial ministers to discuss health care services. As I said earlier, Mr. Romanow and Ms. Cournoyea will be in charge of this sector.

In fact, the provincial premiers and the Prime Minister of Canada agreed, and perhaps we should realize this in the House as well, that all social programs including health care depended on the economy's capacity for generating employment and wealth. Earlier, my colleague referred to these difficult times. The fact is, to quote a colleague sitting behind me, they always want to blame it on free trade. Unfortunately we are in a period of economic restructuring, and we have to live with the problems this creates. There are considerable challenges to be faced, but there is no point in looking for scapegoats.

At the First Ministers' Conference agreement was reached on a number of principles, in order to help increase the economy's capacity to generate employment and wealth. For instance, in the discussion on trade barriers, it was agreed that it was vital to speed up reduction of those barriers. The Minister for International Trade referred to this again this afternoon. The question is often brought up in the House, but it is not something the federal government can deal with alone. Trade barriers are also and mostly a matter of provincial legislation.

However, if we take down interprovincial barriers to trade, there may be times when we have instances of unfair competition between various provinces. In any case, this item will be given careful consideration.

There will be a joint review of the potential trade challenges facing Canada abroad during the next decade. We are now talking about free trade between Canada and the United States, between Canada, the U.S. and Mexico, and we are faced with new developments in Europe. How will these trade challenges determine our position during the next 10 years? What about our relations with the Asian bloc, South America, and so forth? It is important for Canada to determine ways in which it can become a major intervenor.

Another item on which the first ministers agreed was that Transport ministers would consider what could be done about our national highway network. Some felt this was a modest beginning, but it is a start.

• (1730)

We must also consider that by developing our social programs to include an increasing number of programs for training and retraining, we may be making some people too dependent on the system, so that once these people have gone through the whole process of manpower training, social programs, social welfare at the provincial level, unemployment insurance, and so forth, it will be very difficult for them to get out of this potentially vicious circle.

We will have to start looking at ways to prevent this dependency on social programs. We also would like to encourage the private sector to invest in training. My riding, Beauharnois—Salaberry, is located along the American border, and I think it would be wonderful if we could do some of the things that are being done in other provinces to discourage cross-border shopping. That is one of the items on which the 11 first ministers were agreed and where they intend to take some kind of action.

We were talking about economic growth. In conclusion, I would like to repeat what was said by Matthew Barrett, President of the Bank of Montreal, in referring to the economy but especially to the unity of this country: "The message is clear: a divided Canada will be far less able to meet the competition than a united Canada, and the sum of its parts will not be equal to the value of the whole".

These are difficult times for the economy but we are also going through a difficult time in our history as far as national unity is concerned. The repeated partisan attacks we saw this afternoon in the House are certainly not very edifying for Canadians who are listening. I think we should use our precious time to do what we were elected to do and concentrate on the real problems, not only the problems besetting our economy but the problems of the neediest in a rich and prosperous country that is the envy of the whole world.

[*English*]

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I listened with a great deal of interest and I found it interesting that when a government member finally decided to rise and discuss this matter, he avoided discussion of health care and federal transfer payments completely.

I would like to ask the member if he is aware that the EPF program was based on the idea that money would be transferred to the provinces based on the increase in the Gross National Product. In other words, if the economy did not grow, the dollars being transferred would not grow.

We had a decision, initially by the Liberals in 1982 and then in 1983, and then again twice by the Conservatives which said that they did not care that the economy was expanding, that the money was there for health care, they were going to unilaterally cut back on transfer payments.

Was the member really aware that the EPF was based on an expansion in the economy and that the expansion took place but the Tories reneged on that formula?

[*Translation*]

Mr. Hudon: Mr. Speaker, I first thank my colleague for congratulating us on taking part in the debate. If he and his colleagues had been less obstinate, we would perhaps have had an opportunity to participate before.

I know what my colleague said. In the beginning, we thought about creating this program. A problem we have in our society is that when our economists think of a program of course they always think in terms of growth at a constant rate. That is very common. When the health program was thought up in the early 1960s, there were going to be more and more people paying into it and fewer and fewer at the top drawing on it. On one hand it is true, but on the other hand we must still live with certain realities. The population growth rate has diminished, but when I look at the figures for the province of Quebec, and we have them for all the provinces, in 1984–85 transfers to Quebec for health were $8.153 billion. It is ironic to say that they declined because in 1992–93 they are $11 billion.

In Ontario they were $6 billion and are now $9 billion. In Manitoba they went from $1.1 billion to $1.9 or nearly $2 billion. In British Columbia, the hon. member's province, they were $2.260 billion and are now $3.292 billion.

The problem with these transfers though—and I agree with my colleague there—is that the amount transferred is always a little less than the demand. But in real terms it goes up.

[*English*]

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, in your absence just a few moments ago, I was on my feet in the question and answer portion of a member's debate. I mentioned the fact that if the Canadian people were watching today, they would be totally confused as to what we were talking about, and some say arguing about, in this debate. It looked like NDP versus Liberal most of the day. They were not attacking us; they were attacking each other.

What I want to do is to read the original motion. I know there have been some changes to it. The motion put forward by the hon. member opposite states:

> That this House express its concern at the threat to Canada's health care system expressed by the stated intention of the Liberal premiers of the provinces of Quebec, New Brunswick and Newfoundland to forego universality and to embrace user and deterrent fees for health services.

Looking at this motion objectively we can understand why it created so much concern on the opposite side of the House. If I or any member of this House wanted to go on the attack, to attack any provincial premier, it is pretty easy to do.

I can stand up here today and rail, point fingers at and criticize the province of New Brunswick. Yesterday they had to deal with certain realities in my home province of New Brunswick. It is the reality that comes with assuming power.

That is something that members opposite do not understand. It is a responsibility that you take on when you form the government. It would be easy for me to stand up here tonight and point my finger at Premier McKenna back in New Brunswick. I will allow the opposition in New Brunswick to do that but I am not going to do it. It serves no useful purpose for me stand up in this House and condemn Premier McKenna for some of the decisions that he had to make.

Why would any premier want to cut services in his home province, whether it is Clyde Wells, Frank McKenna or someone else. Even Bob Rae is an example. Why would they want to do it? The only reason they do it is because that aspect of responsibility that members opposite do not understand because they have not been there. They do not have to balance the sheet at the end of the day. They do not have to be responsible to the taxpayers. All they have to do is tilt and rail and criticize. Nothing will be accomplished in this House if we continually do that. It is awful easy for us to fall into that particular trap.

Yesterday in the province of New Brunswick the premier had to deal with that reality of governing. There are two things that he has to take into consideration, that this government has to take into consideration when it comes to dollars, we have to manage the finances of this country and we have to manage the resources that the Canadian taxpayers give us.

We are finally realizing in this country, and the provinces are realizing it as well finally, that there is only one taxpayer. There is only one of us and it does not make a bit of difference whether we are talking provincial, federal or municipal taxes. It is the same person who pays those taxes. It is the same person at the end of the day and the family of that person who pay the price if those taxes are not spent wisely.

• (1740)

That is the mistake we have made in this country for the last 25 years. I think the former Minister of Finance expressed it best about six months ago when he said: "For the first 100 years of this country we lived off of our resources", a statement which no one here will argue with, no one. In the last 25 years, do you know what we did? Again referring to the minister, "we lived off our credit".

The amazing thing we are finally realizing as governments and regardless of what party we take part in or belong to is that we cannot live on credit. At the end of the day there is a huge price to pay for pulling out that credit card every time we want to deliver services. That is what we have done in this country regardless of political stripe.

If we made a mistake as a party after coming to this place and forming the government in 1984, it is probably realizing that too late. I am not quite sure that the public was ready to accept the types of things we have had to do as a government to bring everything into line, but finally it is because we set the example in this House from the day that I was elected.

All of us in this House are the first generation of politicians elected in 1988 that have not been able to go back to our constituencies with cheque-books in our back pockets to fix every difficulty in the riding. That is the easy trap that politicians have fallen into in this country in the last 25 years: If there is a problem in the riding, write a cheque; the government will come good for it.

Finally we realized that all of those good intentions had a price and it has created a huge mountain of debt over this government. It has created a huge mountain of debt over provincial governments. The interesting thing about this is that the NDP of Ontario is finally realizing what that mountain of debt does to the ability of the premier to fix things back home.

Bob Rae will bring down his budget in the next couple of weeks in Ontario.

An hon. member: Who?

Mr. Thompson: Bob Rae and his finance minister. If you want to be technical, the finance minister of the province of Ontario. When they have to come to grips with reality it is going to make us feds look like little pikers, because they have some real difficulties that they cannot dodge. They cannot duck that bullet of reality that is coming right straight at them, in the face.

He is going to have to do the same types of things that the premier of my province had to do yesterday. He did not want to do that any more than I would want to do it or Bob Rae will have to do it, but again it is called reality. It cannot be dodged. We cannot duck it any longer.

The interesting thing is that government in a sense reflect society as a whole. There is a strange chemistry that works out, that sorts itself out at the end of the day. If we look at government debt in this country in relation to Gross Domestic Product, do you know where we are in terms of percentages? We are right about at the 80 per cent range. In other words, with all the goods and services bought and sold and everything produced in this country, at the end of the day, we are right up there on the debt side, to about 80 per cent, which is very high.

On the provincial, municipal and federal sides of the equation it totals about 80 per cent. The interesting thing is that in the private sector we are almost at the same number. The other interesting thing about this whole equation is that on the individual side of it, individual consumer debt, you and I as citizens of the country are just about at the same percentage level.

Governments over the years have forgotten where those tax dollars came from and have just continued to overspend in these last 25 years. Finally we have premiers, prime ministers, cabinets and governments from coast to coast that realize we have to take control of this thing. Regardless of whether it is an NDP government in B.C. or a Liberal government in Newfoundland, from coast to coast the premiers have finally decided that we have to work together on this matter to bring it back down to reality. If that means that we have to cut services or increase taxes to get it back on the road to recovery, that is what we are going to do. That is what the premiers are saying. It has nothing to do with politics, but it has a whole lot to do with reality. That is what this government is doing.

Our increases to the provinces have continued and will continue, but we are entering that part of the equation that has been missing for many years.

The Acting Speaker (Mr. Paproski): There are no questions or comments as there is not enough time.

It being 5.45 p.m., it is my duty pursuant to Standing Order 81(15) to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

Accordingly the first 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. Paproski): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

The House divided on the amendment, which was negatived on the following division:

(*Division No. 122*)

YEAS

Members

Assad
Bélair
Bevilacqua
Chrétien
Dingwall
Duhamel
Finestone
Gaffney
Gray (Windsor West)
Guarnieri
Harvard
Kilger (Stormont—Dundas)
Kindy
Lee
MacDonald (Dartmouth)
Manley
McGuire
Milliken
Nault
Ouellet
Parent
Prud'homme
Stewart
Volpe
Wappel—49

Baker
Bellemare
Catterall
Copps
Dionne
Ferguson
Flis
Gagliano
Grey (Beaver River)
Harb
Kaplan
Kilgour (Edmonton Southeast)
Lapierre
MacAulay
MacLaren
Marchi
Mifflin
Mills
Nunziata
Pagtakhan
Phinney
Rocheleau
Vanclief
Walker

NAYS

Members

Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Blackburn (Brant)
Bosley
Boyer
Brewin
Browes
Campbell (Vancouver Centre)
Chadwick
Charest
Clark (Yellowhead)
Clifford
Cooper
Corbett
Danis
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Friesen
Gardiner
Gray (Bonaventure—Îles-de-la-Madeleine)
Harvey (Chicoutimi)
Heap
Hogue
Horner
Hovdebo
James
Joncas
Karpoff
Kristiansen
Laporte
Layton
Lopez
MacWilliam
Marin
Mazankowski
McDermid
Moore
Nystrom
O'Kurley
Parker
Porter
Ricard
Roy-Arcelin
Samson
Scott (Victoria—Haliburton)
Siddon
Skelly (Comox—Alberni)
Soetens
Stevenson
Têtreault
Thompson
Van De Walle
Vézina
Vincent
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—126

Andre
Atkinson
Belsher
Bertrand
Blenkarn
Bourgault
Breaugh
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
de Cotret
Desjardins
Dorin
Edwards
Fee
Ferland
Fretz
Fulton
Gibeau
Guilbault
Hawkes
Hicks
Holtmann
Horning
Hudon
Jelinek
Jourdenais
Koury
Langdon (Essex—Windsor)
Larrivée
Littlechild
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
McCreath
Monteith
Nicholson
Oberle
Paproski
Plourde
Reid
Riis
Saint-Julien
Schneider
Scott (Hamilton—Wentworth)
Skelly (North Island—Powell River)
Sobeski
Sparrow
Stupich
Thacker
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
Whittaker
Winegard

PAIRED MEMBERS

Anawak	Beatty
Blondin	Caccia
Campbell (South West Nova)	Collins
Couture	DeBlois
Dick	Hockin
Hughes	Kempling
Keyes	Landry
Maheu	McGuire
McKnight	Pickard
Proud	Richardson
Rompkey	Speller
Tardif	Tobin
Tremblay (Québec-Est)	Turner (Vancouver Quadra)
Valcourt	Wood

• (1810)

Mr. 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.

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

The House divided on the motion, which was negatived on the following division:

(Division No. 123)

YEAS

Members

Althouse	Angus
Axworthy (Saskatoon—Clark's Crossing)	Benjamin
Blackburn (Brant)	Breaugh
Brewin	Fulton
Gardiner	Heap
Hovdebo	Karpoff
Kristiansen	Langdon (Essex—Windsor)
Laporte	MacWilliam
Nystrom	Parker
Riis	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stupich	Whittaker—24

NAYS

Members

Andre	Assad
Atkinson	Baker
Bélair	Bellemare
Belsher	Berger
Bertrand	Bevilacqua
Blenkarn	Bosley
Bourgault	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Cardiff	Catterall
Chadwick	Champagne (Champlain)
Charest	Chartrand
Chrétien	Clark (Yellowhead)
Clark (Brandon—Souris)	Clifford
Cole	Cooper
Copps	Corbeil
Corbett	Côté
Danis	de Cotret
Della Noce	Desjardins
Dingwall	Dionne
Domm	Dorin
Duhamel	Duplessis
Edwards	Epp
Fee	Feltham
Ferguson	Ferland
Finestone	Flis
Fontaine	Fretz
Gaffney	Gagliano
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Guilbault
Harb	Harvard
Harvey (Chicoutimi)	Hawkes
Hicks	Hogue
Holtmann	Horner
Horning	Hudon
James	Jelinek
Joncas	Jourdenais
Kaplan	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kindy
Koury	Lapierre
Larrivée	Layton
Lee	Lopez
MacAulay	MacDonald (Dartmouth)
MacDougall (Timiskaming)	MacLaren
Malone	Manley
Marchi	Marin
Martin (Lincoln)	Mazankowski
McCreath	McDermid
McGuire	Mifflin
Milliken	Mills
Monteith	Moore
Nault	Nicholson
Nunziata	Oberle
O'Kurley	Ouellet
Pagtakhan	Paproski
Parent	Plourde
Porter	Prud'homme
Reid	Ricard
Rocheleau	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Stewart
Tétreault	Thacker
Thompson	Turner (Halton—Peel)
Vanclief	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Volpe	Walker
Wappel	Weiner
White	Wilson (Swift Current—Maple Creek—
Assiniboia)	Wilson (Etobicoke Centre)
Winegard	Worthy—149

PAIRED MEMBERS

Anawak	Beatty
Blondin	Caccia
Campbell (South West Nova)	Collins
Couture	DeBlois
Dick	Hockin
Hughes	Kempling
Keyes	Landry
Maheu	McGuire
McKnight	Pickard
Proud	Richardson
Rompkey	Speller
Tardif	Tobin
Tremblay (Québec-Est)	Turner (Vancouver Quadra)
Valcourt	Wood

• (1820)

Mr. Speaker: I declare the motion lost.

CONCURRENCE IN SUPPLEMENTARY ESTIMATES (C), 1992-93

Hon. Harvie Andre (for the President of the Treasury Board) moved:

That the Supplementary Estimates (C) for the fiscal year ending March 31, 1992, laid upon the table Monday, March 9, 1992, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion on division?

Some hon. members: Agreed.

Motion agreed to.

Mr. Dingwall: Mr. Speaker, I rise on a point of order. I think you would find there might be a disposition within the House to apply the vote which has just been taken on division to the introduction of the supply bill, the second reading, the clauses of the supply bill, concurrence at report stage, and third reading of the supply bill.

Before doing so, I would just like to direct a question to the government House leader as to whether the bill is in its usual form.

Mr. Andre: The bill is in its usual form, Mr. Speaker.

Mr. Speaker: The House has heard the suggestion and the response of the government House leader. Is the House in agreement?

Some hon. members: Agreed.

Mr. Speaker: Agreed and so ordered.

Mr. Andre (for the President of the Treasury Board) moved that Bill C-65, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 1992, be read the first time.

Motion agreed to, bill read the first time, read the second time, considered in committee, reported, concurred in, read the third time and passed.

* * *

INTERIM SUPPLY

Hon. Harvie Andre (for the President of the Treasury Board) moved:

That this House concur in Interim Supply as follows:

That a sum not exceeding $13,987,844,162.99 being composed of:

(1) three-twelfths ($9,905,754,038.00) of the total of the amounts of the items set forth in the Main Estimates for the fiscal year ending March 31, 1993, which were laid upon the Table Thursday, February 27, 1992, and except those items below:

(2) eleven-twelfths of the total of the amounts of Energy, Mines and Resources Vote L15, Transport Vote 15, and Treasury Board Vote 10 (Schedule A) of the said Estimates, $198,390,500.00;

(3) ten-twelfths of the total of the amount of Agriculture Vote 25, (Schedule B) of the said Estimates, $413,341,666.67;

(4) nine-twelfths of the total of the amounts of Public Works Vote 15, and Treasury Board Vote 5 (Schedule C) of the said Estimates $353,018,250.00;

(5) seven-twelfths of the total of the amount of Labour Vote 15 (Schedule D) of the said Estimates, $1,146,833.33;

(6) six-twelfths of the total of the amounts of Indian Affairs and Northern Development Votes 10 and 45, and Labour Vote 5, and Solicitor General Vote 5 and Transport Vote L55 (Schedule E) of the said Estimates, $174,068,000.00;

(7) five-twelfths of the total of the amounts of Agriculture Vote 15, and Communications Vote 50, and Environment Vote 1, and Indian Affairs and Northern Development Votes 15, L25, 30 and 50, and Transport Vote 1 (Schedule F) of the said Estimates, $1,800,393,708.34; and

(8) four-twelfths of the total of the amounts of Agriculture Votes 10 and 20, and Communications Votes 30, 35, 75 and 100, and Employment and Immigration Vote 20, and Indian Affairs and Northern Development Vote 35, and Industry, Science and Technology Votes 20 and 25, and Justice Vote 1, and National Health and Welfare Vote 15 and Secretary of State Vote 25, and Supply and Services Votes 1 and 5 (Schedule G) of the said Estimates, $1,141,731,166.65.

be granted to Her Majesty on account of the fiscal year ending March 31, 1993.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Mr. 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. 124)

YEAS

Members

Andre	Atkinson
Belsher	Bertrand
Blenkarn	Bosley
Bourgault	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Cardiff	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Yellowhead)
Clark (Brandon—Souris)	Clifford
Cole	Cooper
Corbeil	Corbett
Côté	Danis
de Cotret	Della Noce
Desjardins	Domm
Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Fontaine	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Guilbault
Harvey (Chicoutimi)	Hawkes
Hicks	Hogue
Horning	Hudon
James	Jelinek
Joncas	Jourdenais
Koury	Larrivée
Layton	Lopez
MacDougall (Timiskaming)	Malone
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDermid	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Plourde
Porter	Reid
Ricard	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tétreault
Thacker	Thompson
Turner (Halton—Peel)	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Weiner	White
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—98	

NAYS

Members

Althouse	Angus
Assad	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bélair
Bellemare	Benjamin
Berger	Bevilacqua
Blackburn (Brant)	Breaugh
Brewin	Catterall
Chrétien	Copps
Dingwall	Dionne
Duhamel	Ferguson
Finestone	Flis
Fulton	Gaffney
Gagliano	Gardiner
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Heap
Hovdebo	Kaplan
Karpoff	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kindy
Kristiansen	Langdon (Essex—Windsor)
Lapierre	Laporte
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacWilliam	Manley
Marchi	McGuire
Mifflin	Milliken
Mills	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parent	Parker
Prud'homme	Riis
Rocheleau	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Stupich
Vanclief	Volpe
Walker	Wappel
Whittaker—73	

PAIRED MEMBERS

Anawak	Beatty
Blondin	Caccia
Campbell (South West Nova)	Collins
Couture	DeBlois
Dick	Hockin
Hughes	Kempling
Keyes	Landry
Maheu	McGuire
McKnight	Pickard
Proud	Richardson
Rompkey	Speller
Tardif	Tobin
Tremblay (Québec-Est)	Turner (Vancouver Quadra)
Valcourt	Wood

• (1830)

Mr. Speaker: I declare the motion carried.

Mr. Riis: Mr. Speaker, I rise on a point of order. Considering the time of day, I wonder if you would find unanimous consent to apply the vote that we have just taken to the introduction of supply Bill C–66, to the second reading of the supply bill, to the clauses in the supply bill, the concurrence at report stage of the bill, third reading of the supply bill, as well as to the deferred division on Bill C–61.

Mr. Dingwall: Mr. Speaker, we are going to think about it, but in the meantime I am wondering if the government House leader could indicate to the House as to whether or not the bill is in the usual form, and we will agree with the suggestion by my colleague to the left.

Mr. Andre: Mr. Speaker, the proportions requested in the bill are intended to provide all necessary requirements for the Government of Canada up until June 30, 1992. In no instance is the total amount of any item being released by the bill. The form of the supply bill is the usual one of interim supply bills.

The passing of this bill will not prejudice the rights and privileges of members to criticize any item in the estimates when it comes up for consideration in committee. The usual undertaking is hereby given that such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure.

Mr. Speaker: The House has heard the suggestion and the House has heard the government House leader. Is it agreed?

Some hon. members: Agreed.

Mr. Speaker: Agreed and so ordered.

Mr. Andre (for the President of the Treasury Board) moved that Bill C-66, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 1993, be read the first time.

Motion agreed to and bill read the first time.

Mr. Andre (for the President of the Treasury Board) moved that the bill be read the second time.

The House divided on the motion, which was agreed to on the following division:

(Division No. 125)

YEAS

Members

Andre
Atkinson
Belsher
Bertrand
Blenkarn
Bosley
Bourgault
Boyer
Brightwell
Browes
Cadieux
Campbell (Vancouver Centre)
Cardiff
Chadwick
Champagne (Champlain)
Charest
Chartrand
Clark (Yellowhead)
Clark (Brandon—Souris)
Clifford
Cole
Cooper
Corbeil
Corbett
Côté
Danis
de Cotret
Della Noce
Desjardins
Domm
Dorin
Duplessis
Edwards
Fee
Feltham
Ferland
Fontaine
Fretz
Friesen
Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hawkes
Hicks
Hogue
Horning
Hudon
James
Jelinek
Joncas
Jourdenais
Koury
Larrivée
Layton
Lopez
MacDougall (Timiskaming)
Malone
Marin
Martin (Lincoln)
Mazankowski
McCreath
McDermid
Monteith
Moore
Nicholson
Oberle
O'Kurley
Paproski
Plourde
Porter
Reid
Ricard
Roy-Arcelin
Saint-Julien
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Siddon
Sobeski
Soetens
Sparrow
Stevenson
Tétreault
Thacker
Thompson
Turner (Halton—Peel)
Van De Walle
Vankoughnet
Vézina
Vien
Vincent
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Winegard
Worthy—98

NAYS

Members

Althouse
Angus
Assad
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bélair
Bellemare
Benjamin
Berger
Bevilacqua
Blackburn (Brant)
Breaugh
Brewin
Catterall
Chrétien
Copps
Dingwall
Dionne
Duhamel
Ferguson
Finestone
Flis
Fulton
Gaffney
Gagliano
Gardiner
Gray (Windsor West)
Grey (Beaver River)
Guarnieri
Harb
Harvard
Heap
Hovdebo
Kaplan
Karpoff
Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)
Kindy
Kristiansen
Langdon (Essex—Windsor)
Lapierre
Laporte
Lee
MacAulay
MacDonald (Dartmouth)
MacLaren
MacWilliam
Manley
Marchi
McGuire
Mifflin
Milliken
Mills
Nault
Nunziata
Nystrom
Ouellet
Pagtakhan
Parent
Parker
Prud'homme
Riis
Rocheleau
Samson
Skelly (North Island—Powell River)
Skelly (Comox—Alberni)
Stewart
Stupich
Vanclief
Volpe
Walker
Wappel
Whittaker—73

PAIRED MEMBERS

Anawak
Beatty
Blondin
Caccia
Campbell (South West Nova)
Collins
Couture
DeBlois
Dick
Hockin
Hughes
Kempling
Keyes
Landry
Maheu
McGuire
McKnight
Pickard

Proud
Rompkey
Tardif
Tremblay (Québec-Est)
Valcourt
Richardson
Speller
Tobin
Turner (Vancouver Quadra)
Wood
Wilson (Etobicoke Centre)
Worthy—98
Winegard

Motion agreed to, bill read the second time, considered in committee and reported.

Mr. Andre (for the President of the Treasury Board) moved that the bill be concurred in.

The House divided on the motion, which was agreed to on the following division:

(Division No. 126)

YEAS

Members

Andre
Belsher
Blenkarn
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
de Cotret
Desjardins
Dorin
Edwards
Feltham
Fontaine
Fr'esen
Gray (Bonaventure—Îles-de-la-Madeleine)
Harvey (Chicoutimi)
Hicks
Horning
James
Joncas
Koury
Layton
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
Moore
Oberle
Paproski
Porter
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Thacker
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)
Atkinson
Bertrand
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Charest
Clark (Yellowhead)
Clifford
Cooper
Corbett
Danis
Della Noce
Domm
Duplessis
Fee
Ferland
Fretz
Gibeau
Guilbault
Hawkes
Hogue
Hudon
Jelinek
Jourdenais
Larrivée
Lopez
Malone
Martin (Lincoln)
McCreath
Monteith
Nicholson
O'Kurley
Plourde
Reid
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tétreault
Thompson
Van De Walle
Vézina
Vincent
White

NAYS

Members

Althouse
Assad
Baker
Bellemare
Berger
Blackburn (Brant)
Brewin
Chrétien
Dingwall
Duhamel
Finestone
Fulton
Gagliano
Gray (Windsor West)
Guarnieri
Harvard
Hovdebo
Karpoff
Kilgour (Edmonton Southeast)
Kristiansen
Lapierre
Lee
MacDonald (Dartmouth)
MacWilliam
Marchi
Mifflin
Mills
Nunziata
Ouellet
Parent
Prud'homme
Rocheleau
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Whittaker—73
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Bevilacqua
Breaugh
Catterall
Copps
Dionne
Ferguson
Flis
Gaffney
Gardiner
Grey (Beaver River)
Harb
Heap
Kaplan
Kilger (Stormont—Dundas)
Kindy
Langdon (Essex—Windsor)
Laporte
MacAulay
MacLaren
Manley
McGuire
Milliken
Nault
Nystrom
Pagtakhan
Parker
Riis
Samson
Skelly (Comox—Alberni)
Stupich
Volpe
Wappel

PAIRED MEMBERS

Anawak
Blondin
Campbell (South West Nova)
Couture
Dick
Hughes
Keyes
Maheu
McKnight
Proud
Rompkey
Tardif
Tremblay (Québec-Est)
Valcourt
Beatty
Caccia
Collins
DeBlois
Hockin
Kempling
Landry
McGuire
Pickard
Richardson
Speller
Tobin
Turner (Vancouver Quadra)
Wood

Motion agreed to.

Mr. Andre (for the President of the Treasury Board) moved that the bill be read the third time and passed.

The House divided on the motion, which was agreed to on the following division:

Supply

(Division No. 127)

YEAS

Members

Andre
Belsher
Blenkarn
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
de Cotret
Desjardins
Dorin
Edwards
Feltham
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Harvey (Chicoutimi)
Hicks
Horning
James
Joncas
Koury
Layton
MacDougall (Timiskaming)
Marin
Mazankowski
McDermid
Moore
Oberle
Paproski
Porter
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Thacker
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—98

Atkinson
Bertrand
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Charest
Clark (Yellowhead)
Clifford
Cooper
Corbett
Danis
Della Noce
Domm
Duplessis
Fee
Ferland
Fretz
Gibeau
Guilbault
Hawkes
Hogue
Hudon
Jelinek
Jourdenais
Larrivée
Lopez
Malone
Martin (Lincoln)
McCreath
Monteith
Nicholson
O'Kurley
Plourde
Reid
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tétreault
Thompson
Van De Walle
Vézina
Vincent
White
Winegard

NAYS

Members

Althouse
Assad
Baker
Bellemare
Berger
Blackburn (Brant)
Brewin
Chrétien
Dingwall
Duhamel
Finestone
Fulton
Gagliano
Gray (Windsor West)
Guarnieri
Harvard
Hovdebo
Karpoff
Kilgour (Edmonton Southeast)
Kristiansen
Lapierre
Lee
MacDonald (Dartmouth)
MacWilliam
Marchi
Mifflin

Angus
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Bevilacqua
Breaugh
Catterall
Copps
Dionne
Ferguson
Flis
Gaffney
Gardiner
Grey (Beaver River)
Harb
Heap
Kaplan
Kilger (Stormont—Dundas)
Kindy
Langdon (Essex—Windsor)
Laporte
MacAulay
MacLaren
Manley
McGuire
Milliken

Mills
Nunziata
Ouellet
Parent
Prud'homme
Rocheleau
Skelly (North Island—Powell River)
Stewart
Vanclief
Walker
Whittaker—73

Nault
Nystrom
Pagtakhan
Parker
Riis
Samson
Skelly (Comox—Alberni)
Stupich
Volpe
Wappel

PAIRED MEMBERS

Anawak
Blondin
Campbell (South West Nova)
Couture
Dick
Hughes
Keyes
Maheu
McKnight
Proud
Rompkey
Tardif
Tremblay (Québec-Est)
Valcourt

Beatty
Caccia
Collins
DeBlois
Hockin
Kempling
Landry
McGuire
Pickard
Richardson
Speller
Tobin
Turner (Vancouver Quadra)
Wood

Motion agreed to, bill read the third time and passed.

* * *

BORROWING AUTHORITY ACT, 1992–93

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-61, an act to provide borrowing authority for the fiscal year commencing on April 1, 1992, be read the third time and passed.

The House divided on the motion, which was agreed to on the following division:

(Division No. 128)

YEAS

Members

Andre
Belsher
Blenkarn
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
de Cotret
Desjardins

Atkinson
Bertrand
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Charest
Clark (Yellowhead)
Clifford
Cooper
Corbett
Danis
Della Noce
Domm

Dorin	Duplessis
Edwards	Fee
Feltham	Ferland
Fontaine	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Guilbault
Harvey (Chicoutimi)	Hawkes
Hicks	Hogue
Horning	Hudon
James	Jelinek
Joncas	Jourdenais
Koury	Larrivée
Layton	Lopez
MacDougall (Timiskaming)	Malone
Marin	Martin (Lincoln)
Mazankowski	McCreath
McDermid	Monteith
Moore	Nicholson
Oberle	O'Kurley
Paproski	Plourde
Porter	Reid
Ricard	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tétreault
Thacker	Thompson
Turner (Halton—Peel)	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Weiner	White
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—98	

NAYS

Members

Althouse	Angus
Assad	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bélair
Bellemare	Benjamin
Berger	Bevilacqua
Blackburn (Brant)	Breaugh
Brewin	Catterall
Chrétien	Copps
Dingwall	Dionne
Duhamel	Ferguson
Finestone	Flis
Fulton	Gaffney
Gagliano	Gardiner
Gray (Windsor West)	Grey (Beaver River)
Guarnieri	Harb
Harvard	Heap
Hovdebo	Kaplan
Karpoff	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kindy
Kristiansen	Langdon (Essex—Windsor)
Lapierre	Laporte
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacWilliam	Manley
Marchi	McGuire
Mifflin	Milliken
Mills	Nault
Nunziata	Nystrom
Ouellet	Pagtakhan
Parent	Parker
Prud'homme	Riis
Rocheleau	Samson
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Stewart	Stupich
Vanclief	Volpe
Walker	Wappel
Whittaker—73	

PAIRED MEMBERS

Anawak	Beatty
Blondin	Caccia
Campbell (South West Nova)	Collins
Couture	DeBlois
Dick	Hockin
Hughes	Kempling
Keyes	Landry
Maheu	McGuire
McKnight	Pickard
Proud	Richardson
Rompkey	Speller
Tardif	Tobin
Tremblay (Québec-Est)	Turner (Vancouver Quadra)
Valcourt	Wood

Motion agreed to, bill read the third time and passed.

Mr. Speaker: The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

REMEMBRANCE DAY ACT

MEASURE TO ENACT

Mr. Ron MacDonald (Dartmouth) moved that Bill C–289, an act to provide that Remembrance Day be included as a holiday in Public Service collective agreements, be read the second time and referred to Legislative Committee H.

He said: Mr. Speaker, it is with a great deal of pleasure and an honour for me to have had this bill drawn. For those who are perhaps watching and do not know the process here, private members' bills are submitted and a draw takes place. From that draw some bills are picked which are votable motions. I have been extremely lucky in this particular instance that this bill has been drawn as a votable motion.

An hon. member: Perhaps it was lucky for the 700,000 Legionnaires across Canada as well.

Mr. MacDonald (Dartmouth): My colleague says: "Perhaps it was lucky for the 700,000 Legionnaires across Canada as well".

I want to go through what the intent of this bill is. It is a very short bill. It is Bill C–289 and the effect of this bill is quite simple.

The effect of the bill is that every collective agreement entered into pursuant to the Public Service Staff Relations Act shall do a few things. First, Remembrance Day is to be a holiday. Second, no employee in a bargaining unit shall be required to work on Remembrance Day unless it is essential for the public safety or public interest that the work be done on that day. Third, an employee who is required to work on Remembrance Day shall receive extra remuneration or benefit in respect thereof.

A lot of people would ask is that not the case already? It certainly was what I thought had been the case up until about a year ago.

Let us go back and talk a little bit first about what is Remembrance Day and why we honour those who have served and have given the supreme sacrifice of their lives in the pursuit of peace through Canada's Armed Forces.

Remembrance Day is celebrated on November 11. Remembrance Day services take place at the eleventh hour of the eleventh day of the eleventh month. That was the exact time in 1918 when World War I ended. For a period of time, between 1923 and 1931 or 1932, it was called Armistice Day. It was commemorated at the same time as Thanksgiving.

That changed in 1931 when there was an act of Parliament called the Holidays Act that recognized November 11 as a holiday, as it did with two other holidays. Therein lies some of the concern and some of the confusion and most of the problem.

A holiday does not really have any legal weight when dealing with collective agreements entered into by the Government of Canada under the Public Service Staff Relations Act. That is part of the problem.

Remembrance Day was not recognized in 1931 through the Holidays Act just to give people a day off to go to the beach or to have a long weekend. That is not the intent of the Remembrance Day. The intent of Remembrance Day is clear. It is for Canadians to honour by way of a special day those individuals who gave their lives in the pursuit of peace through the Canadian Armed Forces.

I want to give a few little statistics here just so it is clear for everybody. During World War I, Canada had a lot of troops that served overseas. Of those troops that served overseas, there were approximately 60,000 who lost their lives. In World War II, there were over one million Canadians, close to 1.1 million Canadians who served overseas. A substantial number of them gave the supreme sacrifice of their lives.

Although there were fewer individuals, men and women, who lost their lives in World War II, it was still a tragic event. Young men and women who had chosen to serve their country in a time of need, collectively to stop the Nazi movement through Europe in an effort to go and preserve peace and give freedom back to oppressed peoples, to stop a horrible war, they went and paid the supreme sacrifice.

There were many mothers and fathers and sisters and brothers who lost their most precious loved ones during those conflicts.

Finally in the last year the Korean war was recognized as a war and those who served as full veterans. In the Korean war, 312 Canadians paid the supreme sacrifice. They never returned.

Remembrance Day was a day to remember those who gave the supreme sacrifice, who gave their lives. It was also a time for Canadians to set aside everything and reflect on the horrors of war. It was a time for Canadians to sit down and remember clearly that the price of peace is eternal vigilance.

• (1840)

I do not have to remind anybody in this Chamber that just in the last few years we had to debate a war. Not in the 1950s or 1960s, but we had a debate on the 1990s war in the Persian Gulf.

As a member from Dartmouth I know where most of the men and women who serve in the Canadian Navy on the east coast are stationed. We have the naval air support wing and CFB Shearwater and the Sea King helicopters.

I was one of those individuals who went down on the shores of Halifax harbour and watched with a great deal of pride but a lot of fear, as we sent our men and women from the Canadian Armed Forces into a potential theatre of war. We were lucky this time because in that war they all came back. They all came back, by the grace of God and a lot of skill.

But Remembrance Day is a special day. It is a day when we should always remember those who have gone before us.

The problem that we have is one that occurred about two years ago during the collective bargaining process between Canada Post and one of its unions.

It was a tough negotiation process. Both sides were entrenched in their positions and it was not coming along very well. It became the subject of an article which was reported in the news that Canada Post had indicated that Remembrance Day was a negotiable holiday for the employees of Canada Post. That shocked almost everybody. It certainly shocked the employees. It shocked the 700,000 veterans around this country, Legion members, that Remembrance Day might be a bargaining chip that can be bargained away during the collective bargaining process, particularly in agreements under the Public Service Staff Relations Act.

The federal government, in negotiating contracts, did not have any legal obligation to ensure that Remembrance Day was a statutory paid holiday. Indeed, there was no weight in law that compelled any government or anybody negotiating on behalf of the government not to negotiate away Remembrance Day. I always thought it was a given.

My father, who is a veteran, served overseas and was wounded twice. He actually served with Dan MacDonald, the former minister of veterans affairs for P.E.I. He was with the hon. Dan MacDonald when Dan lost his arm and his leg in Italy. I called my father. My father said: "This is ridiculous. Of course Remembrance Day is a statutory holiday, particularly in the federal civil service".

But that is by convention, not by statute. It is a difficult issue for some of us to grapple with because I did not believe it. We checked with the department and they were not sure. So we checked with the Library of Parliament. Sure enough, it came back that Remembrance Day, although it is a holiday under the Holidays Act, is not necessarily a day that has to be given as a paid holiday in collective agreements negotiated under the Public Service Staff Relations Act, or indeed under any other act like the Canada Labour Code.

Clearly what this bill tries to do is not to change the *status quo* because luckily until now the *status quo* has been that it has always been negotiated as a holiday to be celebrated on November 11. But what this bill does is to ensure that it will always be a holiday in federal Public Service contracts, and that that holiday will always take place on November 11.

Picture it: The further we get away from World War I and World War II and the Korean war, the further we get away from those particular awful periods in our history, the less likely it becomes that the public is going to honour Remembrance Day the way that it was originally meant to be done. We all know that.

When I went to school, when I was growing up in Cape Breton Island, I clearly remember that Remembrance Day was one of the biggest days of the year. It was not a day that was a holiday. It was a day that in the weeks leading up to it we did essays, there were always poster contests and essay contests. We had people from the Legion who came in and talked about the war.

Then Remembrance Day itself was a big day. It was the biggest day in my town of New Waterford, because on Remembrance Day there was the biggest parade and everybody came out. Everybody came out because that little town in World War II, had the highest rate of enlistment per capita of any town in the British Commonwealth, in the British Empire.

It was a big day because there were a lot of families in that town who lost loved ones. There were a lot of people like my father, for whom Remembrance Day was the best day and the worst day of the year.

It was the best day of the year because he felt proud he had served and that his community, even in all those years after the war would still come out and honour him and his colleagues.

But it was a sad day for him. It was a day when he had to stand with his buddies and after the services, after the march and after the parade, they would go back into the Legion and sit down and shed a few tears and tell a few stories, because they lost some of their best friends. They were in slick trenches next to their best friends in the world when they lost their lives. Those memories are never, ever forgotten by those who served.

This bill is timely. There is one little problem with this bill. I thought most members of this House would be prepared to put a piece of legislation in place, in the spirit of co-operation in this House. It is something that clearly does not cause the federal treasury any further encumbrances.

It is not a partisan issue. But it clearly sends a message from the Parliament of Canada to those men and women who have served in the Canadian Armed Forces, to the families of those who have given the supreme sacrifice in fighting world wars and in Korea.

The message is that we do remember and we are prepared to take unusual steps, such as this bill, a one-page bill. It simply says: 'You do not have to worry. As the world changes and as we get further and further and further from those world wars and the Korean war, because the federal government is going to make sure that at some future point we do not have to worry about Remembrance Day being negotiated away so that somebody has an extra day in the middle of the summer, so it is more attractive to trade that day for some other benefit".

That is not why Remembrance Day was part of the Holidays Act. It was not so that someone got a benefit. It was so that we would all remember the horrors of war and to give thanks that we live in a country that is peaceful. Most of all, it is that we remember those young men and women who gave their lives in the pursuit of peace on behalf of Canada. That is clearly what the bill does. It does not do any more nor does it do any less than that.

I just want to point out a couple of other things because some members are still saying to me: "Are you sure this is not covered? Are you sure that under the Holidays Act the negotiators for the government through the Public Service Commission does not have to give it?" No, they do not have to give it.

In clause M20.01, it says this is a negotiated item. This is what was negotiated. It says: "Subject to clause M20.02 the following days shall be designated paid holidays for employees". It goes through the list and (h) is Remembrance Day.

If this was in law already it would not have to be a negotiated clause in the collective master agreement with the Public Service Alliance of Canada. This is the master agreement. It is a negotiable holiday. I do not think anybody in this House thought it was a negotiable holiday.

Treasury Board has some concerns, so I am told, and I understand it. Treasury Board says: "Well, we do not know that we should support this bill. Not because it changes the *status quo*, but it may tie our hands in the future from negotiating things in the collective bargaining process". That is exactly what I am trying to do. There are some crazy trends going on out there.

Remember that it was the post office, a Crown corporation that said in negotiations a year and a half ago that this was a negotiable item. The post office was the first to put it on the table. Maybe at some future time, when this government or future governments are having difficulty with the Public Service unions in the country it will say: "No, we are not going to give you Remembrance Day. We are going to hold Remembrance Day over your head until you give us something back".

It goes completely against the intent of the original legislation. It goes completely against the declaration of Armistice Day back in the 1920s. It certainly goes against the spirit of Canadians who have chosen over the years to keep Remembrance Day sacred.

Treasury Board is afraid this might create a precedent. Somehow somebody else is going to come in with another day and say: "We are going to make sure this is a compulsory statutory holiday that is in law and is non-negotiable".

• (1850)

That is a ridiculous argument. Remembrance Day is a special holiday. There is none other like it in Canada. We have the July 1 holiday. That is a very special day for us in this country. We have Christmas and we have some other holidays as well.

This is the one day that is not meant as a celebratory day. It is meant as a reflective day. We have to remember that it is there in honour of those individuals who gave their lives for this country. It is why it is called Remembrance Day. That is why it is not veterans' day. It is Remembrance Day, clearly.

The Treasury Board's concerns are a little deeper than that as well. We are trying to address this because I know that sometimes bureaucrats get on these things and think if it comes from a Liberal and they are working for the Tory government that they automatically have to find reasons why they cannot pass these things.

I understand that. These things happen. It is a partisan place. This is not a partisan bill, and I want to make that clear. Every member in this Chamber has a legion, as least one, in the riding. Some members have as many as nine. Every legion in the country that has been apprised of this bill has fully supported the intent of the bill. The president of the Dominion Command has written to the

three leaders and has written to the minister involved, the Minister of Veterans Affairs, indicating that he wants the members of this place to support this bill, not because it gives the legion anything that it did not think it already had, but because it makes sure that it does not lose what it thought it already had.

Legion members, every year when they go down to the cenotaphs on November 11, in many towns, villages and cities across this country, find that fewer and fewer people come out. In some parts of this country, the shopping malls are still open on November 11. This bill does not seek to change that, but it says the federal government, the Government of Canada, will make that Remembrance Day will not fall by the wayside as a bargaining chip in future collective agreements that come under the Public Service Staff Relations Act.

The Treasury Board is concerned that if this goes into law, it will remove the ability of concerned parties to structure benefit levels. Remembrance Day is a holiday for virtually all public sector employees. This bill is not designed to alter benefit levels or change anything like that. It is an effort to by statute ensure that the *status quo* does not change. That is it. That is all it does.

The Treasury Board is also concerned that this bill, if passed, would mean that thousands of non-unionized public servants would not be affected by it because of taxable collective agreements. The Government of Canada currently treats those non-unionized management personnel the say way, when it gives its holidays out, as it does its unionized personnel. It is a bogus argument.

The government is concerned most of all that if this bill passes it is going to set a precedent and that all kinds of other special interest groups are going to come in here and try to tie the hands of the Treasury Board and say: "Here are the days that you cannot negotiate that are going to be in law and you are going to have to give them to your public servants".

I urge the members of this House to do the right thing. It is not because it is my bill. Anyone could have put this forward. We all have legions. We have recently debated war, and some members of this Chamber, one of whom is the member from New Brunswick, even had children who served in the Persian Gulf war. It is pretty close to us right now.

There is something we can do here that will show that this Chamber does work, that it is not always highly partisan and that it does recognize the contribution of those who have served the country through our Canadian Armed Forces. I am asking members of all political stripes in this House to look at this bill and see if we can put a very positive statement out from this House that is currently the subject of much criticism by the public. The members of this House can work together and pass legislation which will be of benefit to all Canadians and make all Canadians proud of the service that has been rendered by the men and women who have served in the wars in which Canada has participated.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is a pleasure to take part in this debate. I want to begin by thanking the hon. member for Dartmouth on his reference to my son.

It is a good point to pick up on this debate. I am not sure how old I look to the folks back home. I am not that old. I think I am the only member in this House who had a son who served on the ground in the Persian gulf war. He is only 22. I can remember the night that I had to make a big decision as to whether I vote in favour of us entering that conflict. It was probably one of the most difficult votes that I have had to take as a member of Parliament. I sided with the government and I sided in our defence of freedom and democracy and for the things we always stood for as a country. I am very proud of having voted in that way. I am very proud of what my son did in that conflict.

Now he is a veteran of a foreign war which was brought to my attention by the Minister of Veteran's Affairs one day. It is strange when he put it in that context; my son is now a veteran of a foreign war. It has a certain ring to it. Reflecting on what the member for Dartmouth mentioned, there is no group of people in Canadian society that we have higher regard for than those men and women who served us so well overseas during World War 1, World War 11, and the Korean War. We have a special place in our hearts for all those men and women. It is important for us to recognize that this evening as we debate this bill.

Their role was a very special one. We recognize in a very special way those respective roles in those wars. There is no group of men and women in the world that received more from the respective governments than the men and women who are veterans in this country.

In this moment in our history when we are struggling to keep this country together and maintain the Canadian unity we all desire, there is no group of people working harder than us for individual Canadians in the Canadian Legion. In my own riding, I have had numerous legions. As the members said, all of us will have at least one legion. I suppose if I added them up, there would be dozens of legions in my riding. It is a very rural riding and very wide spread. Just about every little town and village has its own legion. They have just done some remarkable things back in my riding in this Canadian unity debate. They set up their own little committees and their own task forces to examine Canadian unity and what it means to them.

I have tabled in this House some of their papers, some of their reports, on Canadian unity which were considered by our committee and have been sent to the Minister responsible for Constitutional Affairs. They are very reflective. They could only come from a group of men and women that had the sense of determination and search for freedom as in World War 1 and World War 11. These people certainly carry their share of a load in this country. I am speaking again for every constituency in this country.

What the hon. member is suggesting in his bill does nothing to heighten that level of observance for Remembrance Day. That is the thing we have to remember. It does nothing, because we observe it as no other country in this world does. Remembrance Day is for all the right reasons, because we know the sacrifices they have made and given for their country. In many cases they have given their lives. What it would amount to is a legislative benefit, and that is where I have a problem. A legislative benefit simply means one thing. There is a cost attached to it. If you are talking about sacrifices and costs, we can have an emotional argument which we will all accept. There is no cost too great for those people who served us. No one disagrees with that.

It does not heighten our awareness of that very special day.

• (1900)

Within the federal bureaucracy, the Public Service, there is a dollar attached to that recognition. At a time when all Canadians have had enough with taxes and government expense, what do we do? That is the question that we have to ask ourselves.

The best thing to do, obviously, is to pass this thing if we had no other considerations to make; just stand up and pass it, because it is the thing that would make us feel better at the end of the day.

With government comes responsibility, and it almost goes back to where I left off before we had our recorded votes this evening. With government comes responsibility, and governments for the first time are recognizing that every time we stand up in this House and pass something, no matter how small or how big, if it is a money bill, there is a price attached to it that the Canadian taxpayers have to pay. I guess we all pay because there is only one taxpayer, as I reminded you earlier today. There is only one.

That is where we have to reflect on this thing. What are we doing if we pass it? We are just putting a little bit more of a burden on the Canadian taxpayers.

Having been in business for a number of years before I arrived here, and most of the time strictly in sales in which you have to go out and make it happen yourself, every time there is a holiday and the country shuts down in a sense, it has something to do with productivity. We lose a days work or there is a day that the Canadian taxpayer has to make up for. There are only so many working days in the year.

We can count the number of government employees we have in this country. Let me go through some of those numbers. They are astounding figures. There are more than 210,000 federal employees, 187,000 of whom are unionized. The annual payroll of these employees is $7 billion.

With other considerations taken in, it comes to a total figure of something like $8.3 billion. Out of that, and this is reflective of this government and what we do for our Armed Forces, $4.2 billion is paid annually to the Armed Forces and the Royal Canadian Mounted Police.

There we go. One does not have to be a genius in mathematics to calculate what the cost would be. That is the part I want to emphasize. We recognize the holiday. We recognize the contribution of our war veterans like

no other country in the world and I am very proud of that.

Before I sit down, recognizing what we have done for our veterans, I want to emphasize what the Minister of Veterans Affairs did today for the veterans of Canada in Halifax. He announced today that this government will soon introduce legislation for Canada's merchant navy veterans. That is one that will bring a smile to the face of the member opposite because he has worked very hard for that. Many of us have.

Recognizing the special role that our merchant marine played in Canada's World War II effort is very good news for all of us.

To conclude, I want to use that announcement today by Mr. Merrithew as an indication of how seriously we take the veterans of this country. As I began, there is no group of people that has dedicated more or done more for the country than that particular group of people.

I am very pleased with what we have done as a government and I look forward to a continuation of this debate.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am pleased to rise to participate in this debate. In doing, so I want to start out by complimenting the member for Dartmouth on his initiative. He said in his opening remarks that any member could have done this and that is true, but he did it. I think he deserves a lot of credit from all sides of the House for this initiative.

It is an important bill because in a lot of ways Canada is slowly forgetting why we gather on November 11. It is because at the 11th hour of the 11th day of the 11th month we pause to remember those who fought for Canada. A lot of people fought and died.

When I hear the hon. member across the floor say that there is a cost associated with this bill, a cost associated with ensuring that at the very least federal public employees have the day off so that should they choose to, they can join members of Parliament at the cenotaph to remember and to lay wreaths, I regret the hon. member made that kind of comparison. The cost in human lives in World War I, World War II, the Korean war and, may I add, some of our peacekeeping initiatives as a nation cannot be measured in dollars and cents.

On the other hand, this Bill C-289 takes the monetary aspect of Remembrance Day off of the bargaining table. Neither side can use Remembrance Day as a bargaining chip to deal with wage increases or fringe benefits or working conditions or what have you. That is the underlying significance of this private member's initiative.

I would ask government members, assuming that what we just heard from their member who spoke is symptomatic of their feeling about this proposal, to reconsider.

On the other hand, I would have preferred the member, and again the onus is on me because I have not done it, to bring forward a bill that makes it a national holiday, that forces all of us to lay down our tools to remember.

I can say to you that on Remembrance Day at the cenotaph in Thunder Bay, and I am sure it is the same in Dartmouth, Winnipeg, Victoria and Iqaluit, that members of our Royal Canadian Legions will talk about why the school kids have to be in school today and why the mall is open. They are pleased that the federal public employees have the day off. They are pleased that provincial employees have the day off. They are pleased that the municipal employees have the day off. They are pleased that those members of that bargaining unit, in conjunction with their employer, have decided to make that day a holiday. In effect, they have traded off a day off to remember for some monetary or language aspect of their collective agreement. As we know, at the bargaining table you do not get something for nothing.

This is an important bill. It is important to all of us who recognize what those men and women did for us in the three major wars and the gulf and the peacekeeping initiatives which they are still involved in. We have a responsibility to them and the memory of them to set aside a day to remember them and to celebrate the democracy that we have because they gave their lives or they gave up an arm or leg or whatever. We all know them and I suspect we all have them in our own family. Members have heard me speak in this House before about my father who was a member of the Queen's Own Cameron Highlanders, captured at the landing of Dieppe, and spent 32 months in a Nazi prison camp.

• (1910)

There are all sorts of stories like that. Yes, we hear about them on Remembrance Day. Sometimes the stories are a little embellished, as good story tellers are wont to do, but there is also a tear in the eye. It is an important day and we should recognize it as something more than to be bargained for at the bargaining table.

Look at the young people, the children of the baby boom who come down with their teachers to the cenotaph, who had been instructed in the history of World War I, World War II, the Korean war and, I suspect now, slowly they will be instructed about the gulf. They look in awe at these, dare I say it, old men in their legion uniforms marching, still in step, as they make their way to the cenotaph to honour their comrades. The very least that we should do is ensure that it is not a matter for the bargaining table.

Mr. Joe McGuire (Egmont): Mr. Speaker, it is my pleasure to rise this evening to support this bill. I wish to congratulate my college from Dartmouth on the tremendous presentation he made here tonight. I do not think we really need to add that much to what he has said to convince people in this House that this bill needs to be supported.

I am seconding the motion for this bill mainly because I believe the the six legions in my riding would like me to stand in my place here tonight and to support this bill. I am sure that all legions in my province of Prince Edward Island and all Islanders know or remember what our veterans have gone through and deserve.

I would like to also congratulate our present Minister of Veterans Affairs for his announcement today in Halifax where he announced that the merchant marine veterans would come under veterans affairs legislation. This is something that is very long overdue. These people served in dangerous waters around the world, especially during the Second World War. I congratulate the government and the minister for finally recognizing the contributions these people made.

The previous speaker said that people are forgetting. Indeed, that is correct. I know the veterans in my riding are very afraid that people will eventually forget entirely the great sacrifice which they and their friends made in the first war, the second war, the Korean war. There is a fear among veterans that one of these days in the not-too-distant future, people will forget entirely and their great sacrifice will be something which we may have read about in history books when we were kids.

We have to remember that while they are viewed as old men today, there are still a few First World War veterans living. There are still quite a number of Second World War veterans living. The thing you have to remember about these old men, these old soldiers, these veterans is that when they went to war, they were kids. They were 17, 18, 19, 20 years old and they were put in a life and death position where they had to not only defend themselves and their comrades, but they were there with the attitude and the belief that they were not there as a waste of time or they were not there in vain. They were there to defend a great principle, the principle of democracy and freedom in this world. I have an 18-year old son. If he would have been 18 at the time of the First World War or 18 years old at the time of the Second World War, he would have been signing up to go overseas to possibly give up his life. It is quite a thing to contemplate. Yet many of these people who signed up were under age.

I remember being in Vimy a year ago last November. There was a celebration there with the oldest Canadian veteran of the First World War who is now living in Maine. He had signed up when he was 15 years old. He somehow got into the First World War when he was 15 years old. To think that these people were so young. Most of these people who died were basically kids. They were not people in their 30s or 40s. These were what we call today teenagers and very, very young men who were just beginning their lives.

That one of these days that we as Canadians will forget the contribution that they made is something that we should not contemplate.

This bill is a beginning. I disagree with the government member from Carleton—Charlotte who tied this in as a cost to the taxpayer. If we are just talking about civil

servants, they already have the day off through negotiations. To take it out of the negotiating process is not adding a penny to the cost of Remembrance Day.

We are forgetting that no wars of any great magnitude have been fought in this country. It is our people who went to Europe and to Asia to fight these wars. It is the 75th anniversary of the Battle of Vimy Ridge which was the battle as far as Canada is concerned. It was a watershed battle where we discovered our nationhood in many historians' views. We became of age in the Battle of Vimy Ridge 75 years ago.

As I said, I had the pleasure of visiting that grand memorial we have there. All around the Belgian plains and all around the French fields of Flanders you will see many monuments and many graveyards from the First and Second World Wars. The Europeans have had a long and bloody history that I guess our forefathers thought we were going to avoid when we came to North America to start a new life, that we would be no longer embroiled in the battles and the bloody wars of Europe. Such was not our fate.

In the fields of Flanders I think there are still five Frenchmen a year who are killed because of munitions that are coming up through the ground. Farmers who are harrowing and ploughing run over this still live ammunition and get blown up. There is on average still five French citizens a year who die because of the First World War.

You will see monuments there from South Africa and from the enemy which at that time was Germany. They have some fantastic monuments there remembering their dead. The thing about the Europeans is the respect, the admiration and the time they take to come to our memorials. The great respect that they had for the Canadian soldier is still there. They and their ancestors have gone through bloody wars. They have seen their country ravaged. They are very thankful for the efforts that the Canadians made to maintain their freedom, not just our freedom. It was the freedom of the Europeans, the freedom of France, the freedom of England and the freedom of all Europe. They still remember with great reverence the sacrifice that our Canadian soldiers made.

In conclusion, I ask this House to take this bill very seriously and to give a lot of thought to remembering our Legionnaires and our veterans when we are voting on this bill. I think if we do that we will be supporting this bill and we will be taking the first step into guaranteeing that this Remembrance Day will always be remembered by the Canadian people.

• (1920)

Mr. William Scott (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, tonight I am very pleased to take part in the birth of this veterans bill, as we may call it. We have to recognize the veterans.

We can be very proud of the role that they have played after the wars also. Probably when they returned, they came into a new world, after seeing a lot of destruction and everything else on the battlefields. They came back with the many experiences they had during the wars over in Europe and in other wars that they had participated in.

They brought back a lot of insight. They were great builders and have been great builders of our country. We can honour the dead but we cannot bring them back. I think that probably this is something we should be doing, we should show through our legions and through our other organizations what the veterans have done. Probably to many people this would be a lost history if we do not do something about it. This is why I am supporting this bill.

I think our veterans over the years have made contributions in many, many ways that has made Canada the nation that it is today from sea to sea.

We cannot look at just any one part of our country. Our contribution in the world wars, my friends, has been great. There is no one individual, no one party, or anyone else who can say we did this and we did that. We did it collectively, my friends, and we can be proud of this. We are proud in the eyes of the world, proud of the contribution that Canadians have made.

We are proud in the eyes of the world of what our legions have done to promote many things in our society. Look at the contribution they make to the younger generations, what they have done for our senior citizens, what they have done for all segments of our community.

You can go into rural Ontario, you can go into metropolitan Toronto, or any other major city in our country that you may wish to speak of, and I have been in to a lot of them. I have been to the legions in western Canada, I have been to the legions in northwestern Ontario, I have been in to the legions in the maritimes. We are proud. I am proud, very proud to attend a legion rally or function, wherever it may be, for the spirit that is behind it. This spirit is not enhanced in any one area, it is

a broad spirit, it is the spirit of the Canadian soldier in his war effort.

This is what we have to talk about, my friends. We have to be proud of that. We have to tell that to this growing world which is changing so very fast, changing every day; We have got to instil in them too what our soldiers have done in the wars in foreign countries, their contributions, as I have said before, to this great Canadian nation of ours.

They have helped toward building Canada into a better place to be. They have helped in fostering some group or some child who probably has had some obstacle in life that has prohibited them from taking part in the great society we have, in sports and in many other things. You see the wheelchairs the legion has provided and the programs they promote for making wheelchairs available to our seniors and our disabled.

This is why I think that we all should be very proud of our Canadian Legions. We all should be very proud when we attend Armistice Day celebrations, which our legions take a big part in. We should be proud in the community functions that would not exist without the Royal Canadian Legion.

This is why I can sponsor this bill. This is why I can speak on this bill. I want to speak on this bill in the spirit that encompasses our great country of Canada. In encompassing that great vast area that we are proud of and we talk about, we have to think we are not the only producers of our lifestyle. We have to think of these other organizations that contribute so much to making Canada what we are all so proud of today, the envy of our great nation to the south, the Americans. They would love to have some of the things that we have had and we have at this time which they probably for some reason or other cannot afford to have.

These are things that a small nation can take pride in and shows the spirit of its people. This is something we have to boast about.

We cannot leave the Canadian Legion aside when we speak about of the great spirit of our country. They have been a big part of it and we wish them to be in the future.

I hopefully will be participating at some other stage in this bill. I want to congratulate the sponsor and I think, as others have said, that it is probably something that is long overdue.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to thank the House for the opportunity to speak on Bill C–289. I want to congratulate my colleague from Dartmouth for presenting this bill before the House and my colleague from Egmont for seconding it, which is an act to provide that Remembrance Day be included as a holiday in Public Service collective agreements.

This bill is about the traditional values that this country is known for. This bill is a tribute, as the previous speaker said, to the spirit of the Canadian soldier, the spirit of integrity, the spirit of someone who was there to make sacrifices.

When my colleague from Egmont talked earlier about the fact that some of our soldiers went over to serve in World War II at the ages of 17 and 18, he was so right. My father was a member of the RCAF. He was 17 years old when he was sent over to England and I remember him telling me on more than one occasion of his flights in Halifaxes and Lancasters, in planes that rattled and shook and the fear that they had, the nervousness that they had when they were flying over Europe.

I think that today it is almost impossible for us to imagine what it was like. I have a son 15 years old. I cannot imagine two more years from now sending him off to fight in a war, flying in a plane like a Halifax or a Lancaster. There would be no way.

It is very important for all of us to make sure that the very special day, Remembrance Day, is enshrined in the basic culture of this country. What we do not want to do is create a situation where this day can be diminished in any way, shape or form.

As the speaker said previously there is really no extra cost to the taxpayer. We are already giving this day to public servants to celebrate and bear witness. There is no additional cost.

By passing this bill we will enshrine Remembrance Day in a way that it cannot be diminished in any way, shape or form.

As time goes on and there will be fewer and fewer people with us who have that very special feeling of remembrance for those experiences in World War I, World War II, or the Korean war.

We are going to need the instrument, the Public Service of Canada, to make sure that memory is carried on. In remembering that day, we are also remembering values that are so important to making sure that the character of this nation stays strong.

This bill is on behalf of all of those people who have served in those wars for Canada, fighting for democracy, freedom and peace. In my own riding I know the members of Todd Morden Branch 10, the Royal Canadian Legion and the Greek Veterans Branch 265 would hold me accountable if I did not stand and lend by support on this bill. I am very happy to have had this opportunity.

[*Translation*]

Mr. Gaby Larrivée (Joliette): Mr. Speaker, for several minutes, I have heard touching tributes to our veterans and legionnaires. Of course I share my colleagues' opinions on the importance of remembering what they did.

What I have trouble understanding is that this really has little to do with the bill that was presented. It does not seek to designate a national holiday. That is already done. What it attempts to do is to change collective agreements. It would meddle and decide for the union what should be in the collective agreement, without the agreement of the parties and without considering the federal Public Sector Compensation Act passed by the House of Commons on October 1, 1991. This is an affront to the unions which had hard times last summer, as we all recall.

Furthermore, this bill is a threat to management rights, in that our managers could no longer provide services to the public unless public safety was involved. We have gone from the noble principle of recognizing our veterans and legionnaires to interfering in a labour agreement, and I find that unfortunate.

You will no doubt remember, Mr. Speaker, all the difficulties in applying this principle during a strike and that the Supreme Court had to deal with this question in the air traffic controllers' case nearly 10 years ago.

The worst thing about this bill is that it is unnecessary. To our knowledge, all Public Service collective agreements already provide for Remembrance Day as a paid holiday and any public servant required to work on that day is entitled to overtime. However, no collective agreement restricts management rights as drastically as Bill C–289.

Mr. Speaker, you are signalling me that my time is almost up. In conclusion I will say that I am sorry but, as I said at the beginning, this bill has nothing to do with giving our veterans due recognition. If we need such a bill to recognize our veterans, I think that something is missing somewhere. In its programs the government recognizes Remembrance Day, compensates workers for it and ensures that it will always be present in the minds of all Canadians.

[*English*]

The Acting Speaker (Mr. Brightwell): 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 list of the order of precedence on the Order Paper.

It now being 7.35 p.m., this House stands adjourned until tomorrow at 10 o'clock a.m., pursuant to Standing Order 24(1).

The House adjourned at 7.35 p.m.

HOUSE OF COMMONS

Friday, March 27, 1992

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

DEBT SERVICING AND ACCOUNT REDUCTION ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-21, an act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada, as reported (with amendments) from the Standing Committee on Finance.

SPEAKER'S RULING

Madam Deputy Speaker: There are six motions in amendment at report stage to Bill C-21.

[*Translation*]

Motion No. 1, standing in the name of the hon. member for Essex—Windsor, and Motion No. 2, standing in the name of the hon. member for Kamloops, are identical. After consultation, I chose Motion No. 2 to be debated and voted on separately.

[*English*]

Motion No. 3, standing in the name of the hon. member for Essex—Windsor, and Motion No. 4, standing in the name of the hon. member for Kamloops, are identical. Motion No. 5, standing in the name of the hon. member for Essex—Windsor, and Motion No. 6, standing in the name of the hon. member for Kamloops, are also identical. After consultation, I have selected Motions Nos. 4 and 6 for debate. They will be grouped for debate, with a vote on Motion No. 4 applying to Motion No. 6.

[*Translation*]

I will now submit Motion No. 2 to the House.

[*English*]

MEASURE TO ENACT

Mr. Nelson A. Riis (Kamloops) moved:

Motion No. 2

That Bill C-21 be amended in Clause 4 by striking out lines 22 and 23 at page 1 and lines 1 to 20 at page 2.

He said: Madam Speaker, I certainly want to say first of all that your decision on the appropriate way to proceed this morning has been first rate.

I would like to explain there might seem to have been some duplication between my hon. friend from Essex—Windsor and myself. The reality is that the hon. member for Essex—Windsor is busy today pursuing duties outside the House. As a result he is unable to be here.

• (1010)

He was hoping to be here, so that is the reason for what appears to be duplication. It is not duplication. The fact is that I am pinch-hitting for my hon. friend. I appreciate the support that my friends from the Official Opposition give as well.

I want to begin my discussion in the debate on Motion No. 2 by identifying first what became clear in committee. That is, this bill is essentially a phoney bill.

The bill is an effort by the government to justify the goods and services tax by suggesting that the surplus revenues raised by the goods and services tax would be used to reduce the deficit and pay down the debt and therefore, the structuring of this special accounting procedure.

All it is is a bit of smoke and mirrors in an effort to say that this goods and services tax is good for Canada because it will be used to pay down the deficit. That is absolute nonsense. If the government was interested in paying down the deficit, it is simply a matter of having excess funds at the end of the year depending on various programs, and that would occur naturally.

There is no need for a special account or special legislation. It is simply a matter of good government. Since we do not have good government, obviously the government has had to come up with some type of

imagery to give the impression at least, that it is attempting to do this.

I say that as sort of a preliminary statement. Anybody who is taking this as a serious initiative by the government obviously does not recognize the pure politics of this. I feel very saddened that politics has had to become involved in this critical issue in terms of deficit and debt reduction. Once again, that is the government's decision.

What this amendment does is it says that in the legislation generally, it identifies the GST surpluses to be used to reduce the deficit and pay down the debt. It also includes the possible sale of select Crown corporations, the proceeds of which would be used again to reduce the deficit or pay down the debt.

What has become clear when looking at the reaction that various witnesses have provided is that this provides the government with an opportunity to hold some fire sales and start selling off, if you like, government assets.

Mr. Milliken: They've been doing that already.

Mr. Riis: My hon. friend from Kingston and the Islands reminds me, unfortunately, that they have already started to do this in some rather illogical ways.

Setting that aside, what this will do is provide the government with the incentive to hold a fire sale and sell off valuable government assets to, at the last minute, probably before an election, pay down the deficit, or at least to give this impression.

In the best interests of the country, Canadians have said that this is not the appropriate course of action and that Canadians do not support this course of action. It would simply not be a logical clause to have continue with the legislation.

My hon. colleague from Essex—Windsor, and now through my own motion, simply says: "Let us eliminate from the legislation, that particular sector". Anybody who has studied this with any detail would support this initiative.

I know my hon. friend across the way has indicated some interest in this provision. We are simply saying with this motion: "Let us remove the lines at the bottom of page 1 and the first 20 lines on the top of page 2". That would essentially eliminate the Crown corporations from being part of this phoney deficit reduction legislation.

It is as straightforward as that. If we would simply adopt this motion, we could proceed then and deal quickly with the remainder.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Madam Speaker, we are considering Bill C–21, an Act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada.

This government announced a wonderful measure to create through legislation a fund where all the net revenue from the GST, sales of companies, privatization and money that some Canadians want to give to the government would go for the sole purpose of reducing our national debt and/or our interest payments on it.

My colleague opposite says that we should take out the money from any sale of companies that the government owns, i.e. privatization, to see what we get from the GST. Madam Speaker, I think it is completely frivolous to want what Canadians do not want. Why have only the amount collected from the GST, when the books for the fund to be created will be audited annually by the Canadian government's accountant, so that we will be able to identify very clearly the net receipts from the GST. We will also be able to identify very clearly the net receipts from the privatization of companies and also identify the amounts received from Canadians.

I should tell the hon. member that in 10 months, the Canadian government has already received $375,000 from some Canadian taxpayers and this money was used to pay the interest on the debt and thus lower the tax burden. It is important to point out that so far $375,000 has been received from Canadian taxpayers in addition to the income taxes that they have to pay. Madam Speaker, that shows how important Canadians consider this bill to be and how important it is for them to have a fund where the money needed to pay the interest on our debts and eventually pay them off can go.

Madam Speaker, you will remember as I do that when we were elected in 1984, we talked about the countless Crown corporations, most of which operated at a loss, and we all knew that they were competing with private enterprise. In 1984, Canadians gave us a clear mandate

to get rid of companies that cost us money and competed with private enterprise.

In 1988, Madam Speaker, in the riding of Trois-Rivières, I listed the companies that had been sold or privatized and said that we would continue to do so. The riding of Trois-Rivières gave a clear mandate to your humble servant and the Conservative Party to continue to get rid of the lame ducks which the previous government had bought or set up and so on.

What we are saying today is that the money from the sale of companies, that is the net proceeds, in addition to GST revenue, will be used to reduce the interest payable on the debt and eventually to reduce the debt itself.

The only justification for the NDP motion, Madam Speaker, is allegedly to avoid any possible fire sales. This government to date has privatized companies remarkably well. It has managed to get some Crown corporations back on track and sell them at a profit. The object of the exercise is to dispose of them, but at the same time make money and/or stop losing it. Do not forget that every time the government puts money in a company it owns that competes with the private sector, Canadians' taxes are being used to give a Crown corporation money to compete with other companies that do not have public funds. That is completely illogical, Madam Speaker.

• (1020)

Whence the importance of privatizing companies, and because we have a deficit and a national debt, it is also important to take this money to reduce the interest on the debt and/or the debt itself. Even if we removed the proceeds of privatization from this fund, the government could still sell the companies. Every time it sells a company, it is done publicly and advertised and can be audited by any accountant or lawyer in the country. So my colleague's suggestion of not including privatization proceeds in the fund because it might lead to fire sales makes no sense at all.

Madam Speaker, I hope that this House will reject this motion as quickly as possible so that this bill as presented can pass third reading in the shortest time, especially since that is what Canadians want.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, it is very appropriate today that I support the motion from the House leader of the New Democratic Party. I support it because this government has a track record of dismantling just about every federal national institution that exists in this country. So often we have seen that the process or the management of the dissolution or the dismantling has really not been in the best interests of Canadian taxpayers.

Just think of the Air Canada transaction where it went to the market and dumped the first portion of shares. Independent analysts said that it was dumping those shares at approximately $2 below share value. That is not the right way to go.

What did it do with the proceeds of the shares on Air Canada? It did not take the proceeds and put them back into the federal treasury. It took the proceeds of the shares on the sale of Air Canada and put them into that portion of the corporation that had been privatized. This was almost like a double-dip for the person who had acquired the shares. There was absolutely no public accountability and no debate on that particular transaction.

Before Christmas we passed a bill in this House which essentially allowed the sale of Crown lands by just choosing three independent people to do an appraisal. Once you get those three independent appraisals, the government by Order in Council is allowed to make the transaction. In other words it does not have to come to Parliament.

This Government of Canada has on its balance sheet billions and billions of dollars in assets. They could be in land, buildings, airports, harbours or Crown corporations. Under that bill which we passed before Christmas there is no accountability on the disposition of those lands.

We have a depressed market in our country right now. Let us take, for example, my part of the country. We have tens of thousands of acres in Pickering that we assembled for the super airport that we should have but never did build. It was our government that did not build it, but we made a mistake I believe. There are thousands and thousands of acres there for sale as of the last

budget. We just have to read the newspaper today to see what is happening to the Reichmanns. Olympia & York real estate right now is in the gutter, it is so depressed, it is so low. Therefore, the value of those Crown lands at this moment are very low.

Technically, Public Works Canada could get three independent appraisals on the value of the lands. People could put in bids. They would all be low. Even if they took the highest bid, because the market is depressed, it would literally be a giveaway. Two years, three years from now we may need that land not only for a possible airport, we may need it to lever the province for housing or some other project. I do not know. We will kick ourselves because we gave the government the power to basically get rid of it, sell it off, all in the name of debt reduction.

I always use the example of the House of Commons. Technically speaking, with the act that we passed before Christmas combined with this bill, this government has the power by Order in Council to take bids on this Crown land, this House of Commons. Technically speaking, it could sell it without any debate on the floor of this House. That is a fact, all in the name of debt reduction.

Mr. Thompson: That is not a bad idea.

Mr. Mills: The hon. member said that it is not a bad idea. I am sure most Canadians would probably agree with him most days, that it is not a bad idea.

The member for the New Democratic Party in putting forward this motion is trying in a genuine way to put the brakes on this presidential style government where it can just do everything by Order in Council, where there is no debate, no discussion on the floor of the House of Commons.

I gave the example before of the federal presence lands, the Crown lands, Crown buildings in the province of Quebec. We have billions and billions of dollars of Crown lands in the province of Quebec. Let us imagine after the next election the possibility of a péquiste government. Let us imagine that Mr. Parizeau—it is not impossible—could be the premier. Let us imagine he said to his minister of finance: "Let's go and buy off all the federal lands in the province of Quebec". The cabinet here might say: "Listen, in the name of debt reduction, in the name of deficit reduction, let's do a deal with this minister of finance". It is technically possible.

Mr. Vincent: There is no money.

Mr. Mills: What do you mean, no money?

Mr. Vincent: Quebec won't have any money.

Mr. Mills: What do you mean Quebec will not have any money? It does not need any money. All it needs is paper, an IOU. It is no different than the deal that we made with terminal 3. It is no different than the deal that Bobby Rae is trying with the dome stadium in Toronto. Here is a $700 million dome stadium and what is he doing? He is trying to sell it. I think we have actually caused them to rethink it because we have talked about it in this House a few times.

What the private sector says is: "Listen, premier of Ontario, we will buy this $700 million dome stadium. We will give you $100 million now and we will take a $225 million debenture, which we will not start paying the interest on until 20 years from now". Each of the 10 partners put in $10 million for the down payment. They borrowed that $10 million from the bank which means that it is only interest on $10 million. It is only costing them in cash $1 million each to get the $100 million and with the $100 million they have a $700 million deal. Mr. Parizeau, and I say this with respect to some of my business colleagues in Toronto, is just as smart as those guys. I can tell you right now, if he could see an opportunity to cherry pick, buy off the federal lands, the Crown lands in the province of Quebec, under this bill, it could happen by Order in Council without any public debate in this Chamber. I do not think that is right. In fact, if I had my way around here right now, I would be reinforcing the federal presence, not just in the province of Quebec, but in every part of this country.

• (1030)

Madam Speaker, I see you giving me the signal to wrap it up. It is not too often that I agree with the NDP, but on this particular motion I believe they are right on track and I give it my full support.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I rise in support of the motion, the deletion basically that my colleague from Kamloops moved and I seconded.

At the outset, I want to read into the record that clause because people who are watching and people who read *Hansard* need to know the specifics of what we are talking. The area to be deleted is clause 4, subclauses (b) and (c) which read as follows:

(b) the amount, if any, by which any amount received as consideration for the sale of shares in the capital stock of a Crown corporation or of a corporation that was previously a Crown corporation or that is a successor to a Crown corporation exceeds the value of the shares as shown in the accounts of Canada immediately before the time of the sale;

(c) the amount, if any, by which any amount received on the winding up of a particular Crown corporation or of a particular corporation that was previously a Crown corporation or a successor to a Crown corporation exceeds the value of the shares of, or the interest of the government in, the particular Crown corporation or of the particular corporation, as the case may be, as shown in the accounts of Canada at the end of the last fiscal year of the government before the commencement of the winding up; or

An hon. member: Now we understand them.

Mr. Angus: I want to touch on two specific aspects. Let us look at the sale of CN Explorations. It is a Crown corporation that is part of CN Rail. That Crown corporation has some annual revenue that goes to CN, the parent Crown corporation. As we know, CN, like CP, is not in the best financial shape. It is no different than the airlines. It is haemorrhaging. We have seen that in the thousands of jobs that have been cut. We have seen it in the thousands of miles of tracks that have been ripped up.

If this bill passes with this clause included in it, it means that when CN Route is sold, it does not get the money to help it to survive. The money is siphoned off to this phoney debt reduction or deficit reduction plan and there is no benefit. Quite frankly, if CN does not get the use of either the ongoing revenue from CN Explorations or the benefit of the capital from its sale, we are going to have to pay elsewhere. We are going to have to pay in terms of more job losses. We know that CN Rail is in a process of restructuring. I am sure it has kept Ron Lawless on for another three months so he can finish the dastardly deeds he started years ago in terms of the downsizing. We will pay in terms of higher rates, or the taxpayer will pay in terms of additional funds from the treasury that go to sustain the ongoing operations of CN Rail.

This clause has got to go. As phoney as the bill itself is, this clause makes it even worse.

An hon. member: Which clause?

Mr. Angus: I am dealing with clause 4 and the deletion of subclauses (b) and (c). Let me take us back to the sell-off of Air Canada, Canada's flagship in the air. The government sold 100 per cent of its shares. If this bill with this particular clause had been in place then, that revenue would have gone for deficit reduction as opposed to where it should have gone, which is to increase safety for the airlines. The Government of Canada has had 70 vacancies in aircraft inspectors for several years, 70 inspectors short of what there should be. In the future this kind of sell-off would prevent the reallocation of resources, the reallocation of the capital gained by the sale of a Crown corporation back into that same industry.

It is not clear from my wording of this whether or not any of the funds that will be gained, and I use that term loosely, from the privatization of terminals 1 and 2 in Toronto, the most profitable airport in our system, will be used by Transport Canada again for improvements in the system.

We already know that the revenue to the federal treasury which will result from this privatization will be considerably less than the revenue the treasury gets today from the profits of Pearson airport. We know it will be less. It is just basic economics, I suggest. If we have a profit centre then part of that revenue goes to pay for that profit centre as opposed to being total profit coming to the federal treasury.

I support my colleague's amendment. I think it makes eminent sense. However, as I said before, the whole bill is dumb, phoney and misleading. It is not going to work in any case.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, I would also like to contribute a few comments to the debate this morning on the report stage of Bill C-21.

I have been listening to the debate since we started at ten o'clock, and it is my impression that the government is acting after the fact, like the bank that left the door open and then decided to take all kinds of security measures after its safe was cracked during the night.

Earlier, I heard the Parliamentary Secretary to the Minister of Finance talk about privatization and how the government sold a number of Crown corporations. I already made it clear during the debate on second reading that I did not agree with the bill as a whole. I think that if the government wants to reduce the debt, it

should introduce an accounting system that makes sense, which is what the rest of the country wants.

Through our Income Tax Act, we tell our business people how to keep their accounts and report their assets and liabilities, but the government still uses a cash accounting system. I think that is the problem. However, to get back to Crown corporations, Madam Speaker, during the past seven and a half years this government has either sold or privatized all Crown corporations that were crucial to the survival of this country.

An hon. member: They gave them away.

Mr. Gagliano: Yes, they gave them away, as the hon. member for Toronto said. It was a fire sale, and not just the ones that were losing money, but Crown corporations that were making a profit.

• (1040)

Because it is their philosophy to leave everything up to the private sector and let the market decide what happens to this country, they privatized practically everything. And now they say: If anything is sold, we have to do it according to the rules and put the money in a special debt reduction fund. Again, this is like the bank with its security measures after the fact. It is all a bit late in the game. That is what they are doing with this bill, and that is why I am against this motion. And not only should clause 4 be deleted, the whole bill should be dropped.

We had a report from the Auditor General who wanted to clean up the government's finances and even suggested standardized financial statements that would be accessible to all Canadians, so they could see the government's accounting activities for themselves. They are now operating on a cash accounting basis. And what is the government trying to do with this bill? It would have Canadians believe it is tidying up its finances, and that surplus moneys from the GST and sales of Crown corporations will all go straight into the debt reduction account. Madam Speaker, that is a lot of smoke and mirrors. In fact, it does not mean a thing. A government that tells Canadians that it wants to reduce the national debt while it is doing the exact opposite should not be surprised that today, Canadians no longer trust their political leaders.

[*English*]

Mr. John Nunziata (York South—Weston): Madam Speaker, I appreciate the opportunity to make some very brief submissions on Bill C–21. I did not intend to speak, but when I listened to my friend and colleague from Broadview—Greenwood and my friend and colleague from Montreal I felt compelled to make a few comments about Bill C–21.

As other members have indicated, this is a fraudulent, if I could use the term, piece of legislation. It does not mean anything. It is an attempt by the government to hoodwink Canadians into believing that something serious is being done about the national debt which stands at about $410 billion.

What it has done is bring forward Bill C–21. It is four or five pages long. There are eight sections to it. In effect it has brought in an act of Parliament to open up an account. This is like any individual home owner in the country deciding to open up a special bank account to deal solely with the mortgage on the house and once the interest is paid off to use the account to pay down the debt. Does that mean that the mortgage will be paid off any quicker? Does it mean that fewer interest payments will be made just because a separate account has been opened to pay for the mortgage? Somehow money has to go into this account in order to service the debt on the mortgage, to make the interest payments.

The government is saying that it will set up this special mortgage account to help pay off the interest on the debt over a long period of time. If it keeps its fingers crossed, once the deficit is eliminated it will be able to use the surplus to help pay off this huge national debt. Once it has eliminated the deficit it is going to have either a balanced budget or a surplus.

I can use the analogy of a homeowner with a mortgage account again. If he sells a car or some furniture, he can take that money and put it in the mortgage account to help make the monthly mortgage payment or to help reduce the mortgage on the house.

It is all smoke and mirrors. It may look tidy because a separate statement might come in at the end of every month and at the end of the year the bank may send something saying that *x* number of payments have been made on the mortgage debt. But ultimately there is only one income coming in and all the expenses to be met. The home owner is really not any further ahead by

setting up a special mortgage account. It does not do anything.

What is the net result of wasting our time here this morning and wasting everyone's time setting up a different bank account? Perhaps I am missing something and a government member could stand up to clarify it. Is there any real advantage to this bill being passed? Are we going to accelerate our mortgage payments on the national debt? Are we somehow going to get a better deal from the banks and pay less interest? What does it do? It does not do anything. It sets up another bureaucracy. It helps the Poindexters who push paper around to have a little extra work to do.

The reason I object to this nonsense is that Canadians want this place to be relevant. When they see the Parliament of Canada debating a stupid bill, Bill C-21, it makes them wonder. It makes thinking Canadians wonder about the priorities of this Parliament.

We have 1.5 million Canadians who are unemployed. We have over 2 million Canadians on welfare. We have people suffering out there because of the economic crisis. Instead of debating creative ways of putting people back to work and getting this country working again, instead of talking about what is of real concern to Canadians, we are debating setting up another bank account.

The government is setting us up for the next election. It is going to say to Canadians that it brought in the GST but it is not spending the GST on silly little things; it is taking all the revenues from the GST and from the sale of Crown assets and using that money to pay off the national debt.

A debt is a debt is a debt. Whether it is one account, 50 accounts or 150 accounts, the debt still has to be paid. The government wants Canadians to believe that somehow we are that much further ahead because these moneys will be used to pay off the debt.

We have heard the old adage about selling family assets to pay the rent, selling the furniture to pay the rent or to pay the mortgage. Let us think of the stupidity of that. If we keep selling the furniture to pay the rent, sooner or later all the furniture is going to be gone, but the rental payment has to be made at the beginning of the month. And sooner or later the sheriff is going to come knocking on the door.

The government is not kidding anybody by passing this special piece of legislation so that whenever it sells a Crown asset it will help pay the interest payment on the debt. As a country we have a limited amount of Crown assets of Crown corporations. If the government keeps selling federally owned lands, sooner or later it is all gone. It is history. There is no accountability as my friend from Broadview—Greenwood says. That is of major concern to people on this side of the House. There has to be some accountability.

We do not want cabinet ministers behind closed doors up a couple of floors from where we are speaking making decisions to sell off assets that belong to each and every Canadian without having some degree of accountability in this House.

• (1050)

If the government wants to sell the furniture to pay the rent then we, as the tenants or homeowners, at least should have the right to know what furniture is being sold off and on what conditions. That should be discussed in the family, not in a closet upstairs.

This place is where the government is held accountable. This place is where the government should come forward to explain its actions, not in some back room a few floors away from this Chamber.

In closing, let me just repeat what a waste of time it is, what misplaced priorities this government is demonstrating by bringing forward this phoney and fraudulent piece of legislation. Canadians out there are demanding that this Parliament become relevant and do something important, that it deal with the real issues and the real problems facing Canadians, but we are wasting our time discussing and debating setting up another bank account.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I completely agree with what my colleagues have said about this matter. We are speaking to the motions by the member for Kamloops.

The bill reminds me of a ceremony that was held to honour a local business person. The speakers said that he had made a lot of money in the flower business and so on, and talked about what a great fellow he was.

After all of the speeches were given he got up to speak for himself. He said that as a matter of fact he was not in flowers. He was in fertilizer. He did not make money in

flowers, actually he lost money. Finally, he was not involved in fertilizers, his brother was. That is a joke.

The bill is what we are talking about. I thought that joke was quite relevant. I left British Columbia out of the story. I was going to place the joke in B.C. but I decided not to in deference to my friends from B.C. They still did not laugh.

We have an enormous financial problem in Canada, brought on in very large measure by the government opposite. As has been pointed out, the former Minister of Finance, the member for Etobicoke Centre, added more red ink, more debt to the backs of young people, old people and middle-aged people than any other finance minister in Canadian history.

Government members run around the country telling anybody who will listen to them, which is increasingly not very many, that they are the paragons of fiscal virtue. I think that the debt was $168 billion when they came into office in 1984. It is now rapidly going over $420 billion. By the way, much of it is held outside of Canada.

When the Germans, the Japanese and the Taiwanese get tired of buying this government's debt paper, and to be fair the papers of the provinces and the private sector, if that day ever comes we will have an enormous problem in this country.

Our children are going to have an even greater problem because of the financial profligacy of this government and other governments—I concede that—over many, many years.

The government is introducing Bill C-21 and pretending to Canadians that it is actually going to use the GST funds to reduce the debt. When we bear in mind that there will be a deficit of at least $20 billion in the account for the next five years, how can any serious, intelligent person take the government seriously?

How can we ask Canadians to believe in this kind of measure?

There is the old statement that nobody ever went broke in Canada. Actually, it was an American story. I will put it in British Columbia.

There is the old story that nobody ever went broke in the United States underestimating the intelligence of the American people. I would put it to those opposite that this kind of bill will just increase the cynicism across Canada. It will tell everybody who has passed their grade 9 examinations and who has ever looked at an economics book, and I submit that virtually no one on that side of the House has ever studied economics, that this is a complete farce.

This is the debt servicing and reduction account act. Is there one member on the other side who actually believes that this is actually anything other than smoke and mirrors? I would ask them to raise their hand. Not a single hand goes up. Those members do not even believe in it themselves.

They do not know over there whether they are Keynesians or Milton Friedman economists. I would bet that if we asked one of them if they could tell the difference between John Maynard Keynes and Milton Friedman they would have great difficulty in telling us the difference between their economic theories.

Keynesian economists argue that government must spend generously to kick-start stalled economies in times of difficulty. However, among weak-willed politicians the second half of Keynes' advice is virtually never followed. He said that we must save money in good times, which we had up until about a year and a half ago.

This country has completed six years of prosperity. However, the Mulroney government has run six years of large deficits totalling about $210 billion. It tells us that it is because compound interest only began in 1984, it did not exist before then.

Today this government has neither a sound fiscal policy nor even much ability to borrow money from people who have managed their economies more soundly in other parts of the world.

The monetarists say that inflation can be avoided if central banks will ensure that the money in an economy increases at the same rate as real growth in that economy. Specifically, central bank governors, like John Crow, must carefully control the amount of currency, bank deposits and other money instruments to ensure that the supply does not expand excessively and thereby cause prices to rise.

I will readily concede that Mr. Crow has done a great deal to bring inflation down. As we have heard many times, inflation is at an all-time low point. But at what price? How many of those in the constituency of Red Deer are unemployed today? In Edmonton the rate is more than 12 per cent. I think 40,000 or 50,000

Edmontonians are out of work. They do not want to be out of work.

At what point do we take the monetarist philosophy—Mr. Crow is certainly the best-known practitioner of it in this country—and say that at some point we have to ease up, we must circulate more currency, more purchasing power, more M-1 and more M-2 in the economy?

This bill is simply part of an effort by those opposite to convince Canadians that they are doing something when the only thing they are doing is trying to grind the economy into cement. If they do not realize that then they do not realize anything.

My party is in favour of these amendments and would urge those opposite to recognize that there are real people out there, real men and women, who want to work. Margaret Thatcher would be delighted with the policies that this government is following, so would Ronald Reagan. However, the era of Ronald Reagan and Margaret Thatcher is, thank goodness, now gone. We now have to move on to other things, such as creating wealth and getting people back to work.

Will the government be satisfied with 15 per cent unemployment, 20 per cent? I do not have the foggiest idea what motivates those opposite because it certainly is not their constituents.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam 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.

Some hon. members: On division.

Motion No. 2 negatived.

Madam Deputy Speaker: Would the House agree to calling it eleven o'clock and proceeding with members' statements?

Some hon. members: Agreed.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*English*]

FRESH WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Madam Speaker, for years the federal government has steadfastly refused to state categorically that Canada's fresh water is not for sale to the United States and not for sale to Mexico.

However, we now learn from the leaked North America free trade agreement, the one that was leaked to us by Ralph Nader as opposed to being presented to us by the federal government, that article 1401 states that non-energy pipelines will now be used to move products from Canada through the United States and into northern Mexico. What is a non-energy pipeline?

If a pipeline conduit is not to be used for natural gas or oil, it is likely not to be used for sewage or for wine. This is a back door, under the table, secret deal. It is an underhanded, not up front approach to provide the ways and means to transfer water from one basin into another.

To be more specific, the North America free trade agreement is enabling legislation to divert and deliver Canadian fresh water into the parched American southwest and into the desperately fresh water deficient areas of northern Mexico.

If the federal government plans to sell Canada's rivers and lakes to Mexico—

Madam Deputy Speaker: The member's time has expired.

* * *

[*Translation*]

WORLD THEATRE DAY

Mrs. Suzanne Duplessis (Louis-Hébert): Madam Speaker, today is World Theatre Day, and I would like to take this opportunity to pay tribute to all those who have made the theatre their special form of expression and, as has been said from time immemorial, the best cure for anxiety.

I would like to mention the outstanding work being done by all stage performers and writers for the stage, by professionals, amateurs and volunteers. To overlook their contribution would have been unforgivable.

As its subject is the human condition, the theatre is a reflection of society and mankind, and its impact is felt well beyond the stage itself. Whether it moves us or makes us think, the theatre contributes to the development of society and mankind.

Speaking on behalf of the federal Minister of Communications and on behalf of all parliamentarians here in the House, I again wish to pay tribute to the entire theatre community which gives us food for thought, to paraphrase Victor Hugo.

Madam Deputy Speaker: The hon member's time has expired. The hon. member for Stormont—Dundas.

* * *

[*English*]

ARCTIC WINTER GAMES

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, recently I had the opportunity to attend the 1992 Arctic Winter Games at Whitehorse in the Yukon. The games are a unique blend of sport and cultural events which bring the peoples of the north together for a week of competition and international friendship.

Athletes and artisans from Greenland, Alaska and Russia joined with Canada's representatives from the Yukon, the Northwest Territories and northern Alberta.

The games featured such sports as hockey, figure skating, and cross-country skiing along with sports that are native to the Arctic region, such as the high kick, dog sledding, and snow-shoeing.

On behalf of this House, I congratulate the 1992 Arctic Winter Games Host Society. I would also like to thank the major funding partners of the games: the city of Whitehorse, the Government of the Yukon, Sport Canada and the Yukon Lotteries Commission, along with the many other sponsors and volunteers for their efforts in making the games a very enjoyable experience for the participants and spectators.

I wish to remind members and Canadians that the next Arctic Winter Games are scheduled to be held in Slave Lake, Alberta in March of 1994.

HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Madam Speaker, my constituents continue to offer me thoughtful advice and comment.

Margaret Armstrong of Acton writes:

> Raising two small children and trying to run a home on one income is very difficult with the current tax set-up.

Brian Holahan of Caledon writes:

> Everything in this country is great, except for the excesses of government. After a shake-up, we'll be all right. The bottom line is balance the budget quickly, or you and I will go down in history as jerks.

John Ptolemy writes me:

> We are taxed every way we turn. I am doubly penalized by the current tax system which allows two spouses who both work to have their incomes taxed separately while in my case, where I am the only income-earner, I cannot split my income with my spouse.

Finally, Ena Mellor of Bolton writes:

> I think it is most unfortunate that people generally have lost faith in politicians. To a large extent, I think the media is to blame. The press seems to have set itself up as the official opposition.

Madam Speaker, I thank you for the opportunity of bringing these voices of my constituents into Parliament.

* * *

[*Translation*]

THE CONSTITUTION

Hon. Jean Lapierre (Shefford): Madam Speaker, the Prime Minister of Canada came to Quebec to give notice of his failure to deliver what Quebecers were expecting on the constitutional front.

Forget about national reconciliation with honour and enthusiasm. That is now over and done with, and scare tactics, blackmail and nasty attacks are the order of the day.

Madam Speaker, the Prime Minister is becoming increasingly isolated. After wooing PQ votes in 1984 and 1988, he has now made an about face. Even worse, yesterday he attacked those who sincerely want to renew Canada.

He rejected the timeframe of Bill 150, adopted in the National Assembly by the Quebec Liberals. He condemned the Quebec Liberal Party's Allaire report, calling it a plan to dismember the country. He rejected

the consensus of the Bélanger–Campeau report, calling it the end of Canada.

In fact, the Prime Minister of Canada condemned the premier of Quebec, because Mr. Bourassa voted for Bill 150, he signed the Allaire report and he signed the Bélanger–Campeau report. The Prime Minister—

Madam Deputy Speaker: The hon. member's time has expired. The hon. member for Chicoutimi.

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ROAD THROUGH PARC DES LAURENTIDES

Mr. André Harvey (Chicoutimi): Madam Speaker, the Saguenay—Lac–Saint–Jean region is separated from the greater Quebec area by the natural barrier of the Parc des Laurentides, also called the killer road. It is imperative to make this road safe for the well–being of our region at every level, economic, social, cultural and indeed at the family level, for all the people from the Saguenay and Lac–Saint–Jean area who are now living in Quebec City, in Montreal and elsewhere.

Given the structural problems confronting our region's economy, there is a need to focus our economic development on small and medium–sized export businesses which will have to use this antediluvian road. Statistics show that people from everywhere are afraid to venture on such a goat path, as it was referred to by a former premier of Quebec. I think that arrangements could be made with the Quebec government to meet a growing need of our region.

In closing, Madam Speaker, dare I say that, for our region 300,000 strong to have a stronger sense of our Quebec and Canadian identity means among other things extending the Trans–Canada Highway into our region.

* * *

[*English*]

CAPE BRETON DEVELOPMENT CORPORATION

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, the Cape Breton Development Corporation, a federally owned Crown corporation, has said no to the request made by the Devco Pensioners Association for information pertaining to retirement packages.

The Devco Pensioners Association is being denied this information even though it is already available to management and some senior employees. The Pensioners Association has been advised that if it requires this information it should seek legal counsel and go to court.

I call upon the minister responsible for this Crown corporation to instruct its senior representatives to release this information to this association. This kind of behaviour on the part of a federally owned Crown corporation is unacceptable.

The workers have a right to know what is going on. This attempt to hide information only serves to enhance suspicion as to how this corporation is being run and how certain employees are being given preferential treatment.

Once again, I urge the minister responsible for this Crown corporation to instruct those officials with Devco to release this information to the Pensioners Association and demonstrate a little honesty.

* * *

PROUD TO BE CANADIAN TOUR

Mr. Lee Clark (Brandon—Souris): Madam Speaker, as you know, service clubs throughout all of Canada make a tremendous contribution to the quality of life in each of our communities. They have earned our collective thanks for that.

In addition to the many good works which all of them perform on a regular ongoing basis, one group in particular, the Kinsmen and Kinettes of Canada, have launched a national unity campaign which is particularly worthy of mention.

Since the beginning of January the Kin family's "Proud to be Canadian" tour has been travelling across Canada, having commenced virtually simultaneously on the east and west coasts. They are providing Canadians everywhere, particularly our youth, with the opportunity to sign specially designed Canadian flags as a show of hope and love for the country.

I applaud Kinsmen and Kinettes for reminding us that we as Canadians have every reason to be proud of our achievements in this our 125th anniversary.

I applaud them as well for encouraging us to join together as we will do in early May in Brandon—Souris, to express our appreciation for the privileges that a united Canada has provided, the privileges which we all too often take for granted.

* * *

NEW DEMOCRATIC PARTY

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, if a government raised taxes, cut medicare programs and did not create any new jobs in its budget, what colour would its political stripes be?

An hon. member: Tory blue.

Mr. Boudria: No, my colleagues. I have just described a neo-Conservative NDP government of British Columbia. Provincial New Democrats behave like Liberals when in opposition, but in government those chameleons turn Tory blue.

The federal Tories brought us the GST. The provincial New Democrats in Ontario and B.C. have given us the GSP, the go south policy. Our NDP comrades are increasing the burden on business and creating an economic climate which is driving jobs south of the border.

Those silk-stocking brothers and sisters of Queen's Park and Victoria should know that Canada is losing 1,000 jobs a day. But they do not care. They are interested in propagating the socialist dogma, not helping people. Locally it will not last. Soon Premiers Wilson and McLeod will join Prime Minister Chrétien thereby providing good government for Canadians.

* * *

• (1110)

NORTH AMERICAN FREE TRADE AGREEMENT

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, my concern today is about the letter from the premier of Ontario that the Minister for International Trade released a couple of days ago regarding the free trade deal with Mexico. I think that was an improper thing to do. It was a breach of confidentiality.

What really concerns me is with the national unity debate coming up, it seems to me that this adds to the tension between governments. It is not a helpful thing to do in terms of national unity in this country.

At this particular time we need confidence between the premiers and the Prime Minister. We do not need a breach of trust. We need to build up a relationship that is positive and where there is confidence among all the parties in this country.

I think the appropriate thing for the Minister for International Trade to do would be to apologize to the premier of Ontario. I think that would go a long way toward rebuilding trust in this country and helping solve the tensions that plague us in terms of national unity.

* * *

HELP FIGHT LIVER DISEASE MONTH

Mr. Ken Monteith (Elgin—Norfolk): Madam Speaker, March is being proclaimed as Help Fight Liver Disease Month by the Canadian Liver Foundation. There are over 100 known liver diseases. Some of these diseases are genetic, others are environment or lifestyle related.

Currently two million Canadians suffer from some form of liver disease. Under its mandate to reduce the incidents and impact of all liver diseases, the foundation provides support for research and education.

During this month, thousands of volunteers of the Canadian Liver Foundation will be staffing booths in shopping malls and public places across the country to provide information on liver diseases and to enlist the support of the public in its effort to provide programs for patients and their families.

On behalf of the members of this House, I wish to commend the many volunteers of the Canadian Liver Foundation and encourage all Canadians to support the programs and services of the Canadian Liver Foundation.

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[*Translation*]

FOOD BANKS

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, a recent study by Statistics Canada shows that the number of food bank users has increased by 69 per cent in Quebec between the spring of 1989 and the fall of 1990. The poverty that appears to exist in the province is even more striking in the city of Montreal.

Food banks in Montreal alone give out 12 tonnes of food each day, enough to fill the Olympic Stadium field eight feet high ten times a year. That is absolutely outrageous. Government must spare no effort to put an end to such an atrocity. The Government remains idle while Montreal is growing poorer by the day. The Tories are letting one of this country's major cities become destitute.

* * *

[*English*]

MERCHANT MARINERS

Mr. Bob Hicks (Scarborough East): Madam Speaker, yesterday was a great day for our wartime merchant mariners. They learned that very soon they will be known as merchant navy veterans. Three little words, but they mean a lot. They mean that our wartime high-seas mariners will have access to the same package of programs and benefits as members of the wartime Armed Forces.

As a member of the House Standing Committee on National Defence and Veterans Affairs, I congratulate the Minister of Veterans Affairs for reacting so positively to our recommendations. The committee had heard how merchant seamen felt their contribution to the allied victory had not been properly appreciated. We learned of their long battle to be given the same status as members of the army, the navy and the air force.

Thankfully, we have a Minister of Veterans Affairs open-minded enough to examine anew the role of the merchant navy, to sift out the myths and preconceptions and to conclude that our merchant mariners deserve access to every part of the finest veterans programs in the world.

I join the minister in saying to Canada's merchant navy veterans, welcome aboard.

* * *

FISHERMEN'S PROTEST

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, this Sunday, eight trawlers and hundreds of Canadian fishermen are heading out to the Grand Banks for a peaceful protest against foreign overfishing. These fishermen, primarily from Newfoundland, are telling Canada and the world that we must manage our fishing resource properly and that the Canadian government should assume jurisdiction over this area.

Our leader, the member for Yukon, is in Newfoundland today to meet with fishermen and to hear from them firsthand about their concerns.

Our support goes out to these courageous fishermen who are defending their jobs and Canada's fishery. Our support is with them and we look forward to their safe return.

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PREMIER BOB RAE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, today's *The Toronto Star* reports that Ontario Premier Bob Rae went to, where else, Buffalo, New York to make a speech. One wonders if it was to receive a Man of the Year award from Buffalo City Council. He has done more to assist municipal renewal in that city than anyone since the Prime Minister brought in the GST.

The combination of the goods and services tax and NDP policies have driven millions of Canadians across the border to shop, work and carry on business.

Now the premier travels to Buffalo, no doubt because he can find a larger audience of Canadians there than he can in metropolitan Toronto.

His speech was an apology for his latest bungled and embarrassing efforts at nation building. He insists that in spite of the name calling and public attacks on the federal government, he is really trying to strengthen national unity.

The Minister of Finance of course says exactly the same thing. Canadians must wonder which is the lesser of these two evils.

* * *

TAXATION

Mr. Benno Friesen (Surrey—White Rock—South Langley): Madam Speaker, several months prior to the handing down of the budget in this House, our Minister of Finance engaged in a very wide-ranging discussion with business people and other Canadians to see what they wanted in our budget.

Evidently the Minister of Finance in British Columbia did not do that. The Minister of Finance here got one message from across Canada. That is there is only one taxpayer. In addition to that, that taxpayer is paying too much. In order to help the taxpayer, the federal government had to cut taxes and had to cut operating costs. Because of the program of restraint in this government,

the average cost of operations has decreased 2.2 per cent since 1984.

The budget handed down yesterday in British Columbia increased the government operating costs in that province by 6.8 per cent, about three times the cost of inflation.

The federal government cut taxes. The British Columbia government increased taxes. It is now 9.2 per cent more.

ORAL QUESTION PERIOD

[*English*]

HUMAN RIGHTS

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the Minister of Justice.

Yesterday, the Canadian Human Rights Commission issued a real indictment of this government's record on equality. Women, children, seniors, aboriginals, people with disabilities, visible minorities, gays and lesbians, all were the victims of ongoing discrimination by this government.

What specific measures does the Minister of Justice intend to take to address the outrageous discrimination outlined in the Canadian Human Rights Commission report?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I think that the hon. member mistakes the tone and the content of the report of the Canadian Human Rights Commission. The Canadian Human Rights Commission in its annual report is always concerned to point out where we might better our record.

It is true that relative to other countries of the world, Canada has an enviable and very respected record in the area of human rights. I do not think Question Period is the appropriate place to list in great detail all of our initiatives simply because it would take too long.

I would indicate, for example, in the area of gender equality in terms of the subject matters which are in my own purview, dramatic efforts have been made to expand the responsiveness of the law, particularly the criminal justice system to the reality of Canadian women. I have been involved in appointing a record number of women to the bench. I have appointed more women to the bench than any other Minister of Justice in this country's history and have been very pleased to do so and will continue to do so.

In addition, the very first national conference of its kind on women, law and the administration of justice was held in June 1991 in Vancouver, which for the first time brought together key decision makers and policy makers in this country, senior members of the judiciary and representatives of over 60 national organizations who promote the equal participation of women.

I could go on and on. This is not the proper context in which we should do that. The government has a very fine record in this area.

Ms. Sheila Copps (Hamilton East): Madam Speaker, I would like to zero in on a specific area the minister should be familiar with.

Six and a half years ago, an all-party committee of this House recommended that sexual orientation be included as a prohibited ground of discrimination. The minister is quoted yesterday as saying that her department would get around to the issue as soon as it had time. "It is not for lack of people working flat out. It is a very controversial issue". Six and a half years later, 15 years after the first inclusion in a human rights act in Canada, why is the minister putting politics ahead of principle of this very important issue?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, obtaining principle results takes time in the process of government. Since the *Equality for All* report, the Government of Canada has taken the position in the courts of this land that sexual orientation, for example, is an analogous ground under section 15 of the charter. That is the position we have taken in the courts.

• (1120)

It was in fact the wish of the various groups seeking changes in the Canadian Human Rights Act that amendments to the Canadian Human Rights Act be considered as a comprehensive package. That was a decision and approach taken by my predecessors in responding to the *Equality for All* report and equality initiatives in 1986. That has unfortunately made it more difficult to move the dossier ahead simply because we are dealing with a variety of issues.

I met recently in Ottawa with representatives of the various equality-seeking groups who would like to see changes in the Canadian Human Rights Act. I indicated that I had hoped to bring forward changes by the end of the last calendar year and simply the burden of work in my department made it impossible to do that.

The gun control legislation took longer than we expected and there simply was not enough staff time. We are now working full out on that particular file and I hope to be able to bring forward some positive things that I hope will delight the hon. member by the time we rise for the summer.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Madam Speaker, 15 years ago, the Quebec Government was the first in Canada to acknowledge that people should not suffer discrimination because of their sexual preferences. Today, 15 years later, the minister says in the House that the government is still working on it.

Why did she not endorse the policy established by a unanimous committee of this House six and a half years ago? Madam Speaker, why does the Minister of Justice continue to discriminate directly against people whose sexual preferences do not coincide with those of the majority?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, there is no need for the government to respond to this report today. Six years ago, the government clearly announced its intentions in its response to the parliamentary committee's report. I am now working on those intentions to flesh them out, and I hope that before the summer recess I will be able to table the government's statutory response in the House.

[*English*]

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my question is for the Minister of Justice who under the federal jurisdiction has major responsibilities to protect minorities across this country.

The Canadian Human Rights Commissioner says in his report that the Government of Canada has failed in its job practices to hire and promote women, aboriginals, people with disabilities, and visible minorities fairly.

I want to ask the Minister of Justice what the government is going to do to correct its dismal record as it protects human rights in this country.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, the hon. member is referring to the hiring practices of the Government of Canada. I think he is well aware that this government has certainly a record better than that of the government by the party of which he is a member in expanding employment in the Public Service to members of a variety of groups previously discriminated against.

There is a committee of the House of Commons which is in fact reviewing the Employment Equity Act and will be reporting by May 1 of this year. I think a more appropriate response will be able to be given when that parliamentary committee presents its report on its review of the Employment Equity Act as it affects the government.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, my supplementary is for the same minister.

The Minister of Justice should talk to the Minister of Finance. She will find out that the Government of Canada on the one hand has rolled back pay equity for women in the Public Service, while on the other hand its own appointed commissioner has said clearly and unequivocally that this undermines the progress as it relates to women.

I want to ask the Minister of Justice, who has an awesome responsibility in federal jurisdiction, when she will stand up for the women of this country, put some teeth into the Human Rights Act and implement programs in order to assist those Canadians.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I have been standing up for Canadian women as long as I have been in public life, which is a very long time and significantly predates my arrival in this House.

The legislation with respect to sexual assault, for example, I think is probably the first legislation under the Criminal Code in this country that attempts to reflect adequately the reality of life as it is lived by Canadian women. The Government of Canada has not

rolled back the commitment to pay equity. On the contrary, we are the only government in this country that not only accepted pay equity but made retroactive payments in pay equity. There is a dispute now between the Government of Canada and the union on the basis on which that payment should be made.

The Minister of Finance indicated in his budget that when a decision comes down in 1993, retroactive payments made under that decision, if the government should lose the argument, will be made only until 1990. The Government of Canada continues to make extraordinary payments to meet pay equity requirements of over $80 million a year. We made retroactive payments of $317 million a year at a time of severe fiscal restraint. We indicated then, with our financial priorities, the priorities we attached to this at a time when there was extraordinary pressure on the government. Fiscally the government of Canada made those retroactive payments and committed itself to pay equity.

That is the truth of the situation. We are the only government in Canada that has made that financial commitment.

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TRADE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, my question is directed to the Acting Prime Minister. Yesterday we learned that the Montreal Board of Trade released a major economic report, reflecting the views of over 100 leading business representatives from Canada and abroad, which indicated that Canada has lost 400,000 manufacturing and industry jobs since the free trade agreement came into effect. Specifically, they identified the reasons as the high dollar policy of the government, the free trade agreement and the contradictory policies of this government.

Will the Acting Prime Minister take responsibility for what the board of trade identifies as a reason for the industrialization of our country and take some action by bringing down the high dollar value, cancelling the free trade agreement and abandoning this ridiculous pursuit of a North American free trade agreement?

Hon. John McDermid (Minister of State (Finance and Privatization)): The short answer is no, Madam Speaker, we will not of course cancel the free trade agreement. As a matter of fact there are many, many success stories regarding the free trade agreement, including in my own riding. Perhaps the hon. member would like to come to Brampton some time and visit some of the companies that have done very well because of the free trade agreement. In fact, they say to me that if we did not have the free trade agreement, it would have been a lot rougher getting through the recessionary period we have just gone through.

Everybody looks for a scapegoat when we go through a difficult period of time. The Montreal Board of Trade is no different. I believe that now is the time we have to work on training, retraining, restructuring and that we have to bring Canada into the position where it will be competitive in winding up this decade and heading into the 21st century. That is what this government is doing in co-operation, I might say, with the provinces. That was one of the major subjects discussed at the First Ministers' Conference.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, the hon. minister can say anything he likes, but 100 leading business voices have indicated that one of the major policies this government has introduced that is causing this de-industrialization is the free trade agreement with the United States. It is unfortunate that we have to rely on Ralph Nader for the representatives of the people of Canada to understand what the 500 pages of the NAFTA are all about.

I want to ask my hon. friend the following question. The government knows it has absolutely no mandate from the people of Canada to sign into the North American free trade agreement with the United States and Mexico, absolutely no mandate at all. Will he do the right thing and say that the government will not commit the country to this agreement before it has the support of the people of Canada to do so?

Hon. William C. Winegard (Minister for Science): Madam Speaker, I think the hon. member knows that there has been a great deal of consultation on the NAFTA situation. The SAGITs have been meeting. The ITACs have been meeting. There has obviously been

considerable consultation with the provinces, with the public service of the provinces and we will continue with that consultation.

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SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, when the Bush administration signed a preliminary tariff on Canadian softwood imports, Canadian lumber reloaders learned that the tariff does not just apply to the wood, it also applies to transportation, handling and any further changes to the lumber before it leaves the country.

I have received a letter and have discussed the situation with a company from Fort Erie, Ontario, Barrick Distribution Limited. I quote from the letter: "Our company is now very reluctantly looking to relocate in New York State immediately. We will have to hire American workers and lay off our Canadian employees". This company is an innocent victim of the tariff and more closures are expected across the country.

• (1130)

What action is the government going to take so that these kinds of operations will be protected and we will not be sold out again by this government under the free trade deal and NAFTA?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, as I told my hon. friend in the House before, we have naturally protested not just this aspect of the latest imposition of a countervail duty which adds an additional burden to value-added manufacturers, but also includes the freight component of some of the products that are being shipped.

That is why we have unleashed a very strong response to this action. We have mounting support from the consumers in the United States. We have a preliminary determination. There are two more steps in this particular process, after which it will be appealed under section 19 of the free trade agreement, at which point we will of course be vindicated.

[*Translation*]

AVIATION SAFETY

Mr. John Manley (Ottawa South): Madam Speaker, my question is directed to the Minister of Transport.

Yesterday, the Deputy Prime Minister said outside the House that he was satisfied that all the legal aspects of aviation safety were in place before deregulation.

In his report on the crash at Dryden which was tabled yesterday, Justice Moshansky said that this kind of argument was unacceptable. Does the government agree with Justice Moshansky that the government has an obligation to Canadian passengers to ensure their safety, well beyond the basic legal requirements?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, before answering the question, perhaps I may express, on behalf of the government, my heartfelt sympathy with the survivors and families of the victims of the terrible accident that occurred on March 10, 1989, and I do so at a time when we are again debating a subject, which must bring back some very sad memories.

Mr. Lapierre: It's about time.

Mr. Rocheleau: A little late in the day.

Mr. Corbeil: I see the Bloc Quebecois is more interested in shouting insults across the floor, but I don't think this is the right time.

As far as the question is concerned, I may remind the hon. member that in its preliminary report, the Royal Commission on National Passenger Transportation said more than a year ago, and I quote:

[*English*]

"The federal government introduced in 1985 sweeping changes to the Aeronautics Act designed to give Canadian aviation its most progressive safety legislation in more than 60 years and to implement the major recommendations of the inquiry into aviation safety headed by Justice Charles Dubin".

Mr. John Manley (Ottawa South): Madam Speaker, that response is absolutely appalling. What is unacceptable is the idea that the government would hide behind the tragedy and not respond to serious, important questions about the safety of Canadian air travellers.

The Dryden air crash report recommended that when the transport department identifies a shortage of resources to ensure safety, this information should be communicated up the line to the minister. In its response, the government says: "A policy will be developed".

Is this not an admission that successive ministers of transport have failed in their responsibility to obtain the information that they require to ensure Canadian passenger safety?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, yesterday I mentioned the fact that as soon as the Moshansky commission's report was tabled, the government tabled its response to the 191 recommendations.

I also mentioned that to deal with these 191 recommendations, we had set up an implementation team consisting of 20 members recruited from the Department of Transport and from the industry, including the associations, employers, and employees. I made a commitment that six months from now we would table a public report on the work done by the team during that time.

[*English*]

Mr. Stan Keyes (Hamilton West): Madam Speaker, in 1989 a leaked memo from the chief of operations and certification of inspectors at Transport Canada noted, and I will quote from that memo: "Air carrier inspection is no longer capable of meeting even minimum requirements". Transport Canada warned the minister in 1989. Justice Moshansky warned the minister again yesterday.

When will the minister provide the required number of commercial jet aircraft inspectors to ensure safety in the skies?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, yesterday I provided all the statistics, and these show that we have the number of inspectors required. I would like to refer the hon. member to the 1989 annual report of the Canadian Aviation Safety Board which says this: "The above statistics indicate that the 1980s was a decade of significant improvement in Canadian aviation safety." In its 1990 report, the board said that accident statistics for aircraft licensed in Canada were a clear indication that the last decade was marked by a significant improvement in aviation safety in Canada.

Madam Speaker, I believe that throughout that time, the Department of Transport continued to give aviation safety the priority it deserves.

[*English*]

Mr. Stan Keyes (Hamilton West): Madam Speaker, the minister's rhetoric gives us the government position and makes it quite clear that it will continue to put at risk the lives of the air travelling public in this country to save a buck. That is what he is saying.

Just yesterday the director of air carrier standards and operations at Transport Canada confirmed that according to his own department's figures, at least 10 more inspectors are needed immediately for commercial air carrier inspections. Will the minister immediately hire 10 additional commercial jet aircraft inspectors? Yes or no?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, it was interesting to hear what the chairman of the Moshansky commission, Mr. Justice Moshansky, said this morning in an interview on *Canada AM*. When asked whether it was safe to fly in Canada, he said: "Yes, I think it is safe to fly in Canada. I think we have one of the safest transportation systems in the world. That is not to say it is perfect. The thrust of my report was to identify deficiencies which should be corrected in order to bring it closer to perfection".

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, yesterday Justice Moshansky brought down a report dealing with the commercial aviation industry. I emphasize commercial aviation industry. Also yesterday, in defence of the government's record on safety the minister said: "In 1981 there were 700 aircraft accidents in Canada. In 1991 there were 449 accidents".

What the minister failed to tell this House and Canadians is that when it comes to commercial aviation in this country, according to the Canadian Aviation Safety Board reports, there has been an increase of 34 per cent in the number of accidents between 1984, the year that this government came to power, and 1991.

I ask the minister to explain why he chose to give statistics dealing with the broad base of the aviation industry, including the general aviation sector and the government sector, as opposed to the real stats which deal with commercial aviation which was what the Moshansky report was all about. Why did he not do that?

Hon. Jean Corbeil (Minister of Transport): I repeat again, Madam Speaker, that the report from the transport safety board for 1989 indicates that the 1980s was a decade of significant improvement in Canadian aviation safety. I think all kinds of aircraft are very important in aviation safety because people travel in all kinds of aircraft.

• (1140)

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, obviously the minister does not get it yet. Perhaps he is relying on some of those same senior bureaucrats to give him the statistics to show that things are rosy as opposed to the real statistics.

I want to draw the minister's attention to a poster issued by the Aviation Safety Programs of Transport Canada that hangs in aircraft hangars and offices throughout this country. It says: "If you think safety is too costly, try an accident".

Given this new information, about which it would appear he did not know, concerning the number of commercial accidents and the increase of 34 per cent since 1984, would he now reconsider his lack of action in terms of additional safety inspectors, whether it is the 10 mentioned today or the 70 vacancies that are out there in the industry, and do something today to give a concrete indication that he is going to make sure that airlines are safe in this country?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I think the person to give the best testimony on that is the person who has just completed the two years of investigation and tabled his report a couple of weeks ago.

Interviewed this morning on CBC *Newsworld*, Justice Moshansky said: "I agree that the Canadian skies are safe". We have one of the safest aviation systems in the world. However, that is not to say that it is perfect. It must also be remembered that this investigation was regarding an accident at a particular point in time. Certainly some positive steps have been taken by the department to correct a lot of the deficiencies which we discovered during the inquiry and so has the carrier.

I repeat again, we have put in place an implementation team of 20 persons who will look into the 191 recommendations of the report.

Ms. Catherine Callbeck (Malpeque): Madam Speaker, my question is for the Minister of Transport.

The government is currently considering a proposal to replace air traffic controllers with flight service specialists in smaller airports, such as Charlottetown. Pilots and air traffic controllers have condemned the government's proposal for safety reasons.

In light of yesterday's condemning report on the Dryden air accident, will the minister commit today to maintaining air traffic controllers at smaller airports? Will he stop cost cutting at the expense of air safety?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, one of our main responsibilities as the government of this country is to be fiscally responsible without putting in jeopardy the safety of the people who are flying. It is for this reason that we are spending over $1.5 billion in transforming our safety system to automation. At the same time, we are consulting the aviation industry at the present time as to what we should do with a number of FSS and control towers. The consultations are not completed and when they are we will then make decisions.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, the minister's denials of a problem are quite shocking when the report on the Dryden crash contains a litany of repeated warnings that there were simply not enough people to ensure air safety.

My colleague for Hamilton West raised one of those warnings in the House in 1990 with this report on the government's budget that said the result would be cutbacks in training, enforcement, inspections and increased risks to the travelling public. The minister at that time said: "We will never compromise safety".

Will the minister admit today that safety has been compromised? Will he tell Canadians specifically what he is going to do to restore travelling safety?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, all the Ministers of Transport since this government has been in power have indicated that we will never compromise on safety. We have never compromised on safety.

We already have our response to the Dryden commission.

I mentioned yesterday that we had already started implementing 49 per cent of those recommendations. We have put in place a team of 20 people to look into it. Judge Moshansky himself said again this morning: "I agree that the Canadian skies are safe. We have one of the safest aviation systems in the world".

Oral Questions

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, my question is for the minister of fisheries.

As the minister knows, this coming Sunday evening 100 fishermen will sail on six trawlers toward the nose and tail of the Grand Banks. Once there, they will claim custodial management of these waters for Canada in protest against the rape and pillage of the groundfish stocks by the European community. They will place markers to this effect.

Would the minister tell the House what support he intends for this historic expedition?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, the expedition that the hon. member refers to is one that is privately organized by the industry and the fishermen's union of Newfoundland and Labrador in particular. I have already indicated my support for the concept of this expedition, which is to be peaceful and non-violent.

I do not intend to go out with them, because I do not think they would appreciate a politician attempting to horn in on this genuine demonstration which the people of Newfoundland and Labrador are going forward with on Sunday.

They have my full support. We intend to have fishery patrol boats in the area carrying out their normal duties but ready in case any incident occurs where their aid or assistance might be needed. My office will be doing all it can to help the cause.

In addition, we are providing briefings for all the journalists who are assembling there from Europe and elsewhere. This is one of the documents that we are sending out: *The Fragile Fishery, Sustainable Development of the Northwest Atlantic Fishery.*

The Prime Minister himself is going to lead a delegation to Rio de Janeiro in June for the UNCED conference, particularly to put forward and gain support for our resolution and—

An hon. member: Why don't you go out with them?

Madam Deputy Speaker: Order. I think we should go on. I am sure the hon. minister will be able to add further information on the supplemental.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I have a supplementary question in response to the minister's answer. He did say that he supported this, as he was quoted in *The Evening Telegram*. In fact a week ago, on March 20, the headlines read: "Protest on High Seas gets Crosbie's Blessing".

From what the minister said he certainly does support this, but he also knows there is risk involved so I would like a little more moral support. I would like more support than ministerial blessing.

Could I specifically ask the minister if he would ensure that there is a destroyer escort or a government patrol vessel in direct support of this very delicate undertaking?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, this is a delicate undertaking. I can assure the hon. gentleman that my support is equally delicate.

There are no plans to have any Canadian naval vessels in the area, because we do not believe there are going to be any hostilities. This is a peaceful, non-violent demonstration carried out by responsible people, not by certain other demagogues who have appeared on the scene in recent months, discharged from the provincial cabinet and now looking for a cause to ride back to power on.

An hon. member: John Efford has done a lot for fisheries.

Mr. Crosbie: John Efford is a demagogue attempting to ride to power on the backs of the Newfoundland fishermen.

I am supporting this cause. It is a private initiative. They have every right to demonstrate on the high seas just as people demonstrate outside the House of Commons. There is a risk demonstrating outside the House of Commons. There is a risk demonstrating everywhere. But in a free and democratic country that is a risk we gladly assume. I am not changing my

opinion about Mr. Efford's attempts at demagoguery and his attempts to seize the cause.

• (1150)

Madam Deputy Speaker: I think we should go on. The hon. member for Okanagan—Shuswap.

* * *

NUCLEAR INDUSTRY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, my question is to whomever is answering on behalf of the minister of energy.

Recently a delegation of B.C. New Democrat MPs visited the Hanford nuclear reservation in Washington state, which is home to some 63 per cent of all the high-level nuclear waste produced by the U.S. Millions of litres of lethal radioactive waste are stored in 177 underground tanks at Hanford, and 24 of these tanks contain unstable chemical complexes which are in a potentially explosive situation.

Would the minister confirm that although the probability is small an explosion of one or more of these tanks would lead to a catastrophic event releasing large amounts of radiation into the atmosphere?

Would the minister also explain what emergency responses and measures Canada has taken to protect the neighbouring Canadian public should such an event take place?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, I am sure all members of this House share the concern that Canada be spared the kind of tragedy that did befall the people of the Soviet Union and has emanated from nuclear disasters in other parts of the world.

As well, the minister of energy in this government is vigilant to take every precaution to ensure the well-being of Canadians. I understand he will be taking a delegation or considering looking into the question of any risk arising from the Hanford nuclear station.

I think I should point out as the hon. member himself has indicated that although the risk may be very small we must take every necessary precaution, recognizing that the world increasingly relies on nuclear power and Canada has the finest nuclear power production capacity through our CANDU system of any nation in the world.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, in 1957 an explosion in similar storage tanks in Kyshtym in the Soviet Union spread radioactive contaminants some 200 kilometres downwind. The British Columbia border is only 250 kilometres from Hanford as the wind blows.

Would the minister confirm whether or not this government supports the recent comments of Canada's chief of environmental radiation hazards that Canadian officials really do not have a handle on what is going on at Hanford?

Will he also confirm that Canada and the United States, as confirmed in our discussions with U.S. officials, do not at this time have a co-ordinated emergency response plan put into place to protect the Canadian public should such a catastrophic event occur at Hanford?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, I certainly would not confirm any of the kind of alarmist statements and scenarios that the hon. member is raising in this House in attempting to raise his political profile in British Columbia. This is not responsible.

When the hon. minister of energy returns to the House he will of course address the concerns raised by the hon. member. But I would once again suggest that he stop this fear-mongering and deal responsibly with the questions of energy policy and the necessary energy resources that this country relies upon.

* * *

LEBANON

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, my question is for the minister of immigration.

Yesterday the Department of External Affairs issued a travel directive advising Canadians not to travel to Lebanon due to extreme danger in that country. The directive says, and I quote: "There is ongoing incidents of violence and threat of kidnapping. In these circumstances visitors expose themselves to serious harm".

In these circumstances why is the minister still deporting refugee claimants to Lebanon? Why is there no moratorium on deportations to that country?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, moratoriums encourage non-bona fide claimants who know they will not face removal when refused. Processing these claims wastes resources and delays processing of genuine claimants.

We have decided that we are removing people who are not in need of Canada's protection, but we do it on a case-by-case review. Every consideration is given to every individual case to avoid sending them to a situation where they could be in jeopardy.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, does the Minister of Employment and Immigration speak to the Secretary of State for External Affairs? He is deporting people who live in south Lebanon where there is still a war going on. The Canadian embassy is closed in Lebanon. It is still closed due to security reasons.

Yesterday the minister advised Canadians not to visit that country because of threats of violence and kidnapping. Will the minister explain why he is deporting refugees to Lebanon when the Secretary of State for External Affairs says it is too dangerous for people to visit that country?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, I understand that for a Liberal it is hard to make the distinction between a Canadian citizen and a citizen of another country who comes to Canada and has to be removed. I know that the hon. member cannot make the distinction, but I invite him to consider it.

* * *

EMPLOYMENT

Mr. Sergio Marchi (York West): Madam Speaker, my question is for the Acting Prime Minister.

The economic study released yesterday by the Montreal Board of Trade calculated that between June and December 1991 we were losing 1,000 jobs in Canada each day, thanks in large measure to the free trade agreement.

Rather than feuding with the NDP premier of Ontario and engaging in a public relations campaign aimed at damage control, when will this government come to grips with the failures of this economic agenda which is ravaging Canadian jobs in record numbers?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I find it rather interesting that the Liberal Party would ask a question like that. Back in 1981 and 1982 when jobs were being lost because of a recession they did not have the free trade agreement to blame. Now we have a free trade agreement in place and because of the recession period we have gone through they are blaming the whole recession on the free trade agreement. It is utter nonsense and the hon. member knows that. He should not be making such outlandish statements.

This government has brought in a responsible budget which cuts taxes, which cuts spending, and which cuts the deficit. In fact it is designed to get people back to work in this country.

Some of the provincial governments are bringing in budgets that unfortunately are taking from their taxpayers the tax cuts the federal government made. That is unfortunate because I think those are required at this time to get the economy going again.

The hon. member stands up here day after day and blames the free trade agreement when in fact he knows that that has nothing to do with it.

Mr. Sergio Marchi (York West): Madam Speaker, it is not a Liberal Party report. It is a report of the Board of Trade of Montreal that was based on interviews with Canadian businessmen and businesswomen in this country.

The report also added that since 1989 some 400,000 jobs were lost in the Canadian manufacturing sector and another 200,000 Canadians were laid off in both the retail and wholesale areas of our economy.

How can the government possibly contemplate aggravating this already dismal record by moving head-first into the Mexican round of trade talks without first rectifying the economic pain that is being felt by Canadians at this moment as a result of the first trade round, namely the free trade agreement?

Hon. William C. Winegard (Minister for Science): Madam Speaker, as the Minister for International Trade said in the House just the other day, NAFTA talks about 1 per cent of our total trade.

It is unusual that we get so upset talking about a trade agreement with Mexico. In terms of the free trade agreement with the United States, I wonder why they do not talk about Canadian Thermos Inc., Polymer International, Keeprite that went to Brantford, Hughes Aircraft in Midland, or Freightliner in London.

I have a whole series of good news items specifically as a result of the free trade agreement. All they have are the bad news items day after day after day.

* * *

• (1200)

HUMAN RIGHTS

Mr. Howard McCurdy (Windsor—St. Clair): Madam Speaker, Max Yalden has decried an underpowered and expendable human rights act.

The government has stonewalled the sexual orientation amendment, eliminated a court challenge, shelved the race relations institute and has been the target itself of racism complaints at NRC, Health and Welfare and CIDA. It has fired many of those who have complained about racism. It has compromised pay equity. CIDA is being sued for discrimination and this government refuses to—

Madam Deputy Speaker: Order, please. The hon. member will now put his question.

Mr. McCurdy: This government along with the Liberal Party has refused—

Madam Deputy Speaker: Will the hon. member please put his question now or I will go to somebody else.

Mr. McCurdy: My question for the Minister of Justice on behalf of the government—

Some hon. members: Oh, oh.

An hon. member: Answering on behalf of the government.

Madam Deputy Speaker: I am listening to the question.

Mr. McCurdy: If the hon. members would acknowledge that they should shut up so I can be heard, I will ask the question.

Madam Deputy Speaker: I can assure the hon. member that he can be heard. The hon. member for Saint-Henri—Westmount.

* * *

[*Translation*]

CANADIAN INSTITUTE FOR RESEARCH ON CULTURAL ENTERPRISES

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, I will put my question to the person who is answering for the President of the Treasury Board. The president of the Canadian Institute for Research on Cultural Enterprises said that his institute must provide the government with a return on its investment in cultural enterprises. To do so, the institute is abusing its power to take over the technology of a small company that it subsidized. It cut off funds to this company, forcing it to lay off its staff. It tried to seize this company's goods.

Does the minister support the actions of the institute or will he promise to end the wrongful pressure exercised by this monster which the government has created?

[*English*]

Hon. William C. Winegard (Minister for Science): Madam Speaker, I do not know of the specific example, but I will certainly take notice of the question and get back to the hon. member.

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, earlier in Question Period the Minister for Indian Affairs and Northern Development answering a question on behalf of the Minister of the Environment suggested that the comments I had made were in fact alarmist over-reactions.

I just wanted to set the record straight, Madam Speaker. The comments that I made were reiterations, public comments, from the chief of Canada's environmental radiation hazards branch. They were not my comments. They were also comments by officials at the Hanford nuclear reservation itself.

Madam Deputy Speaker: The hon. member should know that this is not a question of privilege. It is not even

a point of order. It is a question of debate, and I am sure there will be another venue where the hon. member will be able to put his point across to the House.

ROUTINE PROCEEDINGS

[*English*]

HOUSE MANAGEMENT

CONCURRENCE IN 23RD REPORT OF STANDING COMMITTEE

Mr. John E. Cole (York—Simcoe): Madam Speaker, I move that the 23rd report of the Standing Committee on House Management, presented to the House on Friday, February 14, 1992, be concurred in.

It certainly is a pleasure for me to present and speak to this particular committee report. It has been an honour to take part in the debate and discussions relating to the experimental guidelines governing the broadcasting of committee meetings. That was a result of Standing Order 119.1(2).

I just want to quote a few things from the report because I think they are very important for all members here and certainly for the public.

> On the one hand, there is the desire for openness of democratic political institutions and freedom of the press.

We can all understand and recognize that.

> On the other hand, there are serious concerns of parliamentary privilege and the effects of broadcasting on parliamentary institutions.
>
> There are many strong arguments in favour of the broadcasting of committee proceedings. A great deal of important work is done by members in committees and the public should have an opportunity to see this—The broadcasting of the proceedings of committees would provide a more balanced view of the parliamentary process and would enhance the public's perception and appreciation of the work of Parliament and parliamentarians.
>
> The risk is that the collegiality of committees could be destroyed and replaced by a more partisan and adversarial approach by all parties.

That is something we do not want to happen.

> The public has a right to know what is going on in Parliament but it is important to remember that it is a legislative body rather than a television program.

The committee's task was to establish guidelines for broadcasting that would preserve the collegial and informal atmosphere of committee meetings, thus providing a more balanced view of the parliamentary process.

We studied a couple of reports that have been very important and very instrumental in bringing this final report together. *Watching the House at Work,* the Cook report, provided a lot of background information and impetus to this report.

The other one was *The Role and Importance of Committees*, the 1985 report of the McGrath committee because that certainly changed the role of committees. It changed the importance of committees in my view. We have taken those two reports, combined them with the views, the information we heard from many, many witnesses.

Of particular importance was the information we received in the provincial legislatures of Ontario and Quebec. They took us through their process and helped us with it. We understood it and certainly, it allowed us to make decisions. In some cases it changed our views and opinions of the particular process.

It was necessary to distinguish two aspects of broadcasting. First, there is recording whereby we have gavel to gavel coverage of the committee meeting. Second, there is reporting, that is, allowing the electronic media access to committee meetings to coverage of the proceedings for recording purposes.

The committee, in its wisdom, decided upon a phasing-in approach to broadcasting, first to allow the media to record the sound or audio feed of all public committee meetings. The technology for this is already in place. This can be used by print and radio journalists very easily and television journalists could use it together with a picture of the person speaking.

We would also like to see the audio of all committee proceedings broadcast, either through OASIS or by closed-circuit FM radio. This would enable members and their staff and the media to monitor committee meetings.

Two problems presented themselves with the next phase of broadcasting. We wanted to make sure that the House was going to have the responsibility of recording and distributing tape proceedings, but those costs would be astronomical. In addition, there are just too many committee meetings to have all of them broadcast on the parliamentary channel.

• (1210)

The committee recommends one committee room would be set up on a non-permanent basis using existing or rented equipment at a minimum cost. The proceedings would be recorded gavel to gavel and broadcast live on OASIS and on a delayed basis on the parliamentary channel.

The recording of proceedings would be undertaken by or on behalf of the House and under direct control and supervision of the House personnel.

Given the multitude of committee meetings per day, a decision-making process must be put in place to determine which committee will be broadcast. We believe the decision should be made by the House leaders and if the House leaders are unable to agree the matter could be referred to the management committee.

We expect that a system will be devised whereby the committees and their chairmen will indicate their desire to have particular proceedings broadcast. The House leaders, of course, would take that into account, as well as public interest and fairness and reflecting the views of the different members.

We believe the issue of broadcasting committees will need to be reviewed after six months, as well as having a system set up to review complaints.

That is the essence of the report. I would just like to make one final comment if I may, and that is concerning the co-operation of the members on the committee. I want to particularly comment to the members from Saint-Léonard, Kingston and the Islands and particularly the member from Saint-Denis, who is here but is not listening to me at the present time.

Mr. Prud'homme: I am paying very close attention.

Mr. Cole: It was very interesting to have one of the more senior members of this House with very strong views sitting on this committee. He approached this committee with open-mindedness and co-operation. He, along with myself and many others, have changed our views from the start of the process which resulted in a report that I think we can all be very proud of.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I am just delighted to be able to participate in this debate this afternoon. I know many of my colleagues will want to participate as well as the afternoon progresses.

At the outset, I want to congratulate a number of my colleagues, including the hon. member who has just spoken, on the report which he has filed with this House. I congratulate my colleague from Kingston and the Islands, my colleague from Saint-Léonard and, of course, my very distinguished colleague from Saint-Denis who is a veteran of this House and has been a veteran of that particular committee and the subject matter for quite some time. I want to pay tribute to him and to all of those individuals who have worked so hard in trying to arrive at a solution to what we believed was a problem.

I believe my colleague from Kingston and the Islands will, later on in the debate, clearly spell out what the goals and the objectives were and how there has been a substantial watering down of the undertakings that we thought we had.

Nevertheless, there is some agreement. I do not speak for other political parties or members of other political parties, but I would hope that there would be a spirit of co-operation where we could have some unanimous support for this particular initiative, to provide audio feed by the House of Commons for all public committee meetings. That in itself will be helpful to our deliberations and helpful to those who are interested in the subject matter that we deal with.

Members will therefore be able to keep abreast of committee hearings from their own offices, whether they be in the Confederation building, Wellington building, Centre Block, West Block, East Block or indeed any other block that the parliamentary secretary to the government House leader wishes to have some of his members. I know there are some of his members that perhaps he would like to have in places, some might even say cell blocks, but who knows.

It has been our position because of the importance of committees and how they have increased over the years that the broadcasting of committee meetings is quite important. I would like to give a couple of examples if I may.

Sometime ago in a previous Parliament, I had the honour of being the critic for consumer and corporate affairs where we debated quite vigorously the contents of a bill commonly referred to as Bill C-21. My hon. colleague may be apprised of that subject matter. It was with regard to the generic and pharmaceutical industries in this country.

We have testimony from ordinary Canadians to academics, to labour representatives, to specialists involved in that field. It would have been a wonderful exchange for Canadians to see in a public forum, on a broadcast network, the kinds of comments and interventions which were being made on the subject matter.

I have to be very candid. Not all the witnesses to which I have referred were supportive of the position I was putting forward at the committee. The government members did have a number of interveners who came before the committee and concluded that the government was on the right track. Notwithstanding the differences of opinion between the opposing sides, I underline the significance for Canadians to see members of Parliament at work on important subject matter.

The second point I wish to bring to the attention of the House is that all too often young Canadians as well as those who view our proceedings have the impression that the only thing members of Parliament do is from time to time ask questions during Question Period when they are given the opportunity.

An hon. member: When the caucus chairman is not asking questions.

Mr. Dingwall: When that opportunity presents itself, as capable as my colleague here to the left, who has had numerous questions on the floor of the House of Commons, going back many years—

An hon. member: Not as many as I should.

Mr. Dingwall: They would think that all of the duties of my colleague to the left would be to ask questions. Everywhere I go, and I know my colleague to the left probably hears these stories as well, people are always asking me: "Mr. Nunziata, when are you going to ask some more questions?"

Mr. Nunziata: Because the House leader plays favourites.

Mr. Dingwall: They do that. I think that this report will assist Curly Moe and Curly Day in being exposed to other subject matters than the venue of Question Period.

It must be realized that Canadians think that all we do is Question Period. They are not given the opportunity to see us in committee on important subject matters. I made reference, for instance, to Bill C–21, the pharmaceutical act. I make reference to a bill which has passed this House and is in the Upper Chamber, Bill C–13, the Environmental Assessment Act.

Of course, one of the most important committees in this House is the one for which my colleague is the lead critic as the employment critic. He is on employment equity. That subject matter should be aired not only on Question Period, as the hon. member has done so many times, but should be given an opportunity in committee in order that we hear the different views on the subject matter as well as hearing from ordinary Canadians who have a particular interest in the subject matter we are debating.

That is fundamental to the way in which we proceed with the legislative agenda of the government because it is their right to pursue that kind of agenda.

On this particular report for which I have paid tribute to my colleague for Saint–Denis, I do not know if he was listening earlier, I wish to reiterate the significant contribution he has made to developing this report.

We are hoping to set up a permanent room to be used by a committee which will broadcast its hearings in order to provide better coverage and access to information by the media and by the public. There is a lot of media in this country other than the national networks that would be interested in some of the subject matter. I made references to national concerns. There are regional concerns which have a particular bearing on the economy and on the important social programs which affect different regions of this country. I make reference to small craft harbours which would be an item which would be referred to the Standing Committee on Fisheries and Oceans. That would be of significant importance to those of us who come from the Atlantic region.

• (1220)

I make reference to things which pertain to the oilseeds industry in this country which would come under the auspices of the Standing Committee on Agriculture. I am sure there would be individuals both from western Canada and Ontario who would want to be seized of that particular subject matter in order to be better informed on the issue and also to make members of Parliament accountable.

I have heard time and time again in this Chamber and privately, if I may, Madam Speaker, that the parliamentary secretary to the government House leader always talks about the fundamental issue of accountability. Accountability is important, but I think Canadians should see and hear and receive our spoken word, which would subsequently be reported in *Hansard*. They should receive all of this information so that they will have an opportunity to say their member of Parliament is either accountable to what we believe to be important or not accountable.

I would hope that this will proceed and will get the support of all members of this House. I know that a number of my colleagues, and in their absence, Madam Speaker, I want you to know that my colleagues from Cape Breton—The Sydneys, Cape Breton Highlands—Canso, Halifax, Cardigan, Winnipeg South Centre and Winnipeg North all wanted to participate today in this particular debate in order that they may put their concerns on the record.

In point of fact just yesterday my colleague from Broadview—Greenwood and I had extended conversation with regard to the subject matter of broadcasting of committee meetings. In fact, my colleague brought to my attention some very pertinent information I was not aware of at the time and I know later on in our deliberations we will want to hear from the hon. member for Broadview—Greenwood who will make a stirring address on the floor of the House of Commons.

I wish to close my brief remarks unless there is unanimous consent for me to continue.

An hon. member: Filibuster.

Mr. Dingwall: No, I would not filibuster. That is not my intention. But I want the parliamentary secretary to know that my colleague from Kingston and the Islands will clearly spell out that although this is a compromise of the different views, it is certainly not the standard that we thought the government wished to pursue. My colleague from Kingston and the Islands will give a chapter and verse, detailed, *t's* crossed, *i's* dotted, precise information on that point.

Madam Speaker, I want to thank you and I want to thank all of those members, including the hon. member opposite who led off this debate on this report, for their interventions. I hope that this kind of co-operation, notwithstanding it was a compromise, can continue and that it will be unanimous. I say that without speaking to other individuals in this Chamber. I think it quite important that we proceed in an orderly fashion.

Mr. Cooper: Madam Speaker, if I am not mistaken the House leader for the Official Opposition asked if there would be unanimous consent for him to extend his remarks.

I want to indicate to him that I think that may not be a bad idea. We are looking at possibly concurring in the 23rd, 24th, 27th, 22nd, and 28th reports. Maybe what we could do is debate them all together and then we would be more than happy to have him take some more time to do that if that is what the House would be willing to do.

Mr. Dingwall: Madam Speaker, there are two issues here. The first issue is unanimous support for me to continue with my speech on report No. 23. I do not think there is agreement.

The second issue is to take in other reports and to weave them in under the auspices of report No. 23. I wish that I could co-operate with the hon. member because it is a reasonable suggestion. I have to inform the Chair and the hon. member that my colleagues wish to speak to certain reports, not to others and as a result, I cannot give unanimous consent at this time.

Mr. John Nunziata (York South—Weston): Madam Speaker, I appreciate the opportunity to ask my colleague a few questions.

We do not often have the chance to ask our esteemed House leader questions in the House of Commons, so I would like to take this opportunity to ask him a question or two about report No. 23.

We have here a report of the House management committee which is a committee that consists of senior representatives of all three political parties. I agree with my friend and colleague that we ought to have more openness as far as committees are concerned, and the public ought to have an opportunity to listen in on the work of committees and to see the work of other committees.

I would like to ask the hon. House leader of the Official Opposition whether he and his colleagues, perhaps the member for Saint-Denis and others can indicate, are prepared to have the affairs of the House management committee opened up and broadcast so that other Canadians and MPs can listen in or see what the elite members of the House of Commons, the senior members, the important MPs in this House are discussing in order for there to be more credibility to the whole process.

Mr. Dingwall: Madam Speaker, I am not used to responding to questions of a substantive nature.

I want to say to my hon. colleague that he does make a worthy and important positive suggestion. I want to clarify the premise of his question. All members of this House are distinguished. All members of this House have certain responsibilities, however, the only difference is that some may be around a little bit longer than others.

I would find nothing inherently wrong with the proceeding of the deliberations under the House management committee having the opportunity to be broadcast on the network. Members would answer to the general public and Canadians would understand some of the items and issues that they are discussing. They could be brought home.

In response to his very positive suggestion, I think that is something that hon. members, including my colleagues from Saint-Léonard, Kingston and the Islands and Saint-Denis, would want to take under due consideration. Perhaps when deliberations of the House management committee resume, it might be able to raise that and perhaps report back to the hon. member as to whether or not the positive suggestion that he makes can be accommodated by the House management committee.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I just want to intervene to put a quick question to my hon. friend who has given a good speech on this particular report.

It is one that does have an awful lot of support on all sides of the House. As chairman, I want to thank his members who have worked so hard on the committee report, the members of the New Democratic Party and certainly the members on my own side who have done that.

I just listened to the last exchange, and I want to raise one particular point for the hon. member to comment on. It seems to me I heard the member for York South—Weston indicate that he thought that perhaps the management committee should adopt a more open style. I am paraphrasing and using my own words, but I want to put to the House leader of the Official Opposition as to whether he is aware that since the committee was changed and has become the management committee, now virtually all of its meetings are held in public. We have opened up that process including our most recent review of the estimates of the House of Commons. Our idea is to accomplish exactly what the hon. member for York South—Weston has asked us to consider, to let Canadians see what we, as members of Parliament, are trying to address in terms of the administration of our own affairs.

• (1230)

Mr. Dingwall: Madam Speaker, I want to thank the hon. member for his kind intervention and to remind him that yes, I was fully aware that the deliberations of the house management committee were more public than they ever have been in the past.

I think the point my colleague from York South—Weston was attempting to make is that yes, be public but perhaps our deliberations could be broadcast, whether it is on the CBC network or the CTV or the parliamentary channel.

I think that was the intent of his question, withstanding the fact that our deliberations are public and are open. I want to give credit where credit is due.

The chairman of that committee deserves a certain degree of credit. I also want to give due credit to the hon. member for Saint-Denis and the hon. member for Saint-Léonard and the hon. member for Kingston and the Islands who I believe, if one was to review the *Hansard* of the deliberations and the minutes of the meeting, were very supportive and initiated the concept of more openness. I would hope that the parliamentary secretary will be able to carry this openness even further in other deliberations that we have on the floor of the House.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I have listened with great attention to the wise comments made in this House by the member for Cape Breton—East Richmond. He has mentioned the importance of broadcasting our committee deliberations.

I want to remind him and all hon. members of the important work of the Standing Committee on Consumer and Corporate Affairs and Government Operations on which committee, of course, I have the honour and privilege to serve.

Madam Speaker, as you will know because of your vast knowledge of parliamentary matters, that committee deals with a tremendous number of government departments and agencies, everything from Canada Post, which has so mismanaged the postal affairs of this nation, the Department of Consumer and Corporate Affairs, the National Capital Commission, the Department of Supply and Services, the Department of Public Works and a number of other agencies.

I want to ask my colleague if he agrees with me that it would be important for Canadians to have the opportunity to see the important work this committee is doing. In addition, I want to raise at this point the matter of the special committee dealing with Bill C-43, the conflict of interest rules. That is a very important committee as well. It deals with the integrity of government. I am sure that Canadians would want to have the opportunity to see this committee as well.

I invite my colleague to respond as to whether he thinks, as I do, that it would be very important for Canadians to avail themselves of the opportunity to see the work done by those two parliamentary committees and others of course.

Mr. Dingwall: Madam Speaker, I want to thank my colleague for his question.

I do not think there is any doubt in my mind or in the minds of Canadians that it would be very advantageous to have senior officials of Canada Post come before a committee to give testimony, not only on the operations of Canada Post but also on the public policy they have been carrying out for the last number of years.

It would be even more interesting to have the president come before the committee and explain on television, so that Canadians could see, the kind of salary this individual receives as well as the kind of bonus this individual receives.

In other words, you lay off workers and you get a big bonus. You shut down post offices, you get a bonus. I think Canadians would like to see the facial expression of that particular president of Canada Post, as well as government members who sit in that committee supporting the closure of rural post offices, the supporting of the substantial bonuses which have been given to Canada Post. You know, some of these bonuses exceed what any individual would deem to be fair, reasonable and appropriate in the circumstances, when there are Canadians who are lined up at food banks across this country.

I say to my colleague that I agree most heartily that that particular committee which he has made reference to is important. It does important work. It is important to have officials of Canada Post and other organizations come before the respective committees and give testimony in front of the members. It ought to be broadcast so that we can all see that there will be no doubt in terms of the quality of the questions that the opposition members raise, in terms of the support that government members give willingly to the large bonuses and the closing down of rural post offices and the dislocation of jobs, the disruption of communities, et cetera.

I think Canadians would like to see that and I want to thank my hon. colleague for raising that important matter.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I want to join in the debate on this issue this afternoon.

It seems to me that this is a fairly straightforward issue, the matter of broadcasting some committee hearings of the House of Commons.

We support this rather enthusiastically, Madam Speaker, and I want to indicate why. As members of the New Democratic Party, we have had a chance to participate in the discussions.

The one sense that Canadians have generally is a feeling of powerlessness, the fact that there is very little that they can do about a government that is relatively arrogant in almost all policy areas.

I must say that at times all of us as members of Parliament experience a similar feeling, that in spite of the excellent efforts one makes, the government often tends to ignore the proposals, the suggestions, the recommendations, the alternatives and proceeds merrily on its way.

I suppose for the public it is not always clear and Canadians looking in on the operations of the House of Commons, listening to our debate, Question Period and the comments that are made here, get a distorted view of what actually happens in the Parliament of Canada.

I think that some of the best moments of people working together in the best interests of the country, of people setting aside their partisan differences in an effort to generate policy recommendations, takes place in committees.

If the people of Canada had an opportunity from time to time to look in at the work that committees do, whether it is on forestry or agriculture or foreign policy or trade policy or tax policy, they would see that when members of Parliament sit down together, with the odd exception, there is a genuine willingness to co-operate and work together in the best interests of developing good policy.

The problem is not the work by parliamentarians, but when those recommendations or proposals go to the government essentially they are often ignored. They are simply left on some shelf to gather dust while the government goes merrily on its way in its sort of "Father knows best" approach to government.

I think that by setting aside one of our committee rooms so that the proceedings can be televised, it would allow people in the comfort of their living rooms, rec rooms, bedrooms, kitchens, wherever they watch television, to actually have a chance to watch the proceedings of a committee at work.

It would serve a number of purposes. First of all, it would on occasion indicate that members of Parliament can work together co-operatively, as I indicated earlier.

Second, and perhaps most important in my judgment, is that often when we deal with controversial pieces of legislation or develop policies in a certain area, we bring in witnesses. Those witnesses tend to be people or groups with expertise in aspects of the legislation or the policy being debated, and they often provide excellent input into the decision-making.

It would be useful for the people of Canada to see from time to time when, for example, we are dealing with cuts to health care or cuts to post-secondary education, witness after witness pointing out why the government should abandon its course of cutting and destroying medicare, or why the government should abandon its course of turning its back on post-secondary education and retraining programs. When we hear witness after witness, expert after expert, point out in very detailed terms why the government should change its course and to know that the government will ignore those recommendations, will ignore what is often the unanimous recommendation of the committee, I think it would be useful. It would remind Canadians just how out of touch or how arrogant the government has become.

• (1240)

For those reasons, it makes a good deal of sense. While all of the committees obviously cannot be televised—I see that as being rather chaotic when you consider the number of special committees or standing committees that might be sitting at any one time—I think it would be appropriate, at least on this experimental basis for the House leaders to attempt to determine which committees are dealing with subject matter that would be of most interest to Canadian viewers generally, in terms of understanding the inner workings of Parliament.

The fact there is a recommendation that all committees which are sitting would at least be available to others through an audio outlet is another step in the right direction. The more we can open up this place, the more we can expose how the Parliament of Canada actually works, other than simply the floor of the House of Commons, would be a useful step forward.

As we struggle to give more jurisdiction and more responsibility to the committees working on behalf of Parliament, if the people of Canada could look in on those proceedings, I think that members of Parliament would continue not only their generally good work, but the government would feel more inclined to follow the advice and to adopt the recommendations that the committee reports inevitably come up with.

I simply want to say on behalf of the New Democratic Party that I appreciate the hard work that has been done by all of the members, including of course the representatives of the New Democratic Party and that when the time comes to support this committee report we will be voting in the affirmative.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, I listened with interest to my colleague's speech. I found it very interesting and I see that the New Democratic Party supports this report. This afternoon, I will have an opportunity to speak, but in this period for questions and comments, I just want to tell my colleague that often here in the House we are tempted in the heat of debate during Oral Question Period to say, in asking a question, "In the absence of the Minister of Finance, I direct my question to such and such a minister." It often

happens that tempers flare in the heat of debate and someone might say that a certain member is not present. However, it does not necessarily mean that the member who is not in the House is not doing his work, for he might very well not be in the House, for example now when we are debating this motion, but attending a meeting, sitting on a committee or looking after other parliamentary responsibilities.

So I would like to know his opinion on this subject. Will this report allow people through television or radio to have a better idea of the work done by committees? Many committees sit at the same time as the House during the week. Such a report would make the work done by MPs better known, as well as the important role of parliamentary, standing, legislative or even special committees. Could I have my colleague's comments on that?

[*English*]

Mr. Riis: Madam Speaker, my hon. colleague raises a good issue. I think that right now is a good example. Anybody who might be watching these proceedings and listening to me at this moment would get the impression that there are not very many people here working.

Well, that is partly true, they are not in their seats here working. I can assure the House that all of the individuals who would normally be sitting in the seats around mine are at work.

As my hon. friend has indicated, televising some of the committee work and providing audio feeds from all of the committees would introduce Canadians generally to the fact that members of Parliament do much more than simply appear and speak in the House of Commons.

I suspect that for most of us this is one of our smaller tasks. We probably spend the least amount of our time doing this.

Last year there were over 1,000 committee meetings of the Parliament of Canada. Those were all of the standing committees, special joint committees, and so on. There were over 1,000 meetings involving over 2,000 hours of work by members of the House of Commons.

As a member of Parliament who has been here for a few years and has had the opportunity to participate in a number of committees over those years, I could say that most of that work was very productive and very positive. Whether it was in the areas of agriculture, forestry, recreation, or taxation, it was time very well spent.

In response to the question from my hon. colleague, I do think that televising some of the committee proceedings and providing audio sourcing for all of the committees will certainly help the public's understanding of the kind of work being done here other than what takes place on the floor of the House of Commons.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I know that the hon. member for Kamloops, as House leader for his party, has taken an active role in the discussions leading to the report that has come before the House. He was not a member of the House management committee that produced the report but I know that he actively encouraged the members of his party who were serving on that committee.

My question to him is whether he agrees with the report in what it does not say. Perhaps this is an odd way to put a question. However I think that, perhaps like me, he expected that the rules relating to the televising of committee proceedings in this House would be liberalized considerably.

This report goes some way to achieving that goal by setting up a single room from which the proceedings of any committee could be televised, if it was in that room. However, it does not permit indiscriminate televising of other committees nor does it permit committees to make their own decisions as to whether they will be televised unless they are able to arrange accommodation in the single room.

He knows as well as I do that at any one time there could be five or six committees of this House sitting. Clearly it will be difficult, particularly when most committee meetings take place Tuesdays, Wednesday afternoons, and Thursdays. When that is the case it will be difficult to squeeze very many committees into this room in the course of a day. There will be some limit.

Does the hon. member think that in accepting and putting forward this proposal the government has really honoured the commitment to allow for televising of committees that it made when rule changes were made in the spring of last year?

Mr. Riis: Madam Speaker, in response to my colleague from Kingston and the Islands I certainly did encourage our colleagues on the committee—the hon. members for Oshawa, Thunder Bay—Atikokan, and others who participated—to support this. They did an excellent job in coming up with a unanimous report in terms of recommendations.

The point he raises is most appropriate. There was a willingness of members of the House to open up the system completely, to say that we have excellent standing committees doing work that ought to be made public, that the people of Canada ought to be made aware of, particularly when the government members simply ignore the reality, when they ignore the recommendations and opinions of people who understand some of these issues certainly better than we do.

There was a recommendation that we open up the committees, that we televise them or allow television cameras in, allow the media to come in and film the proceedings and tell the people of Canada what is going on.

The government chose not to do that and has come up with this rather laundered version of that feeling.

• (1250)

I suspect that in this business you sometimes simply inch forward. Having one committee room televised so that people can see the proceedings and the news media can take advantage of those proceedings on a regular basis will enable the government to see the advantage of opening up this process.

It does indicate a reneging on the part of the government in terms of our original position. It indicates that it was not prepared to open up the House of Commons as we would have liked to have seen it done. However it is a small step forward and perhaps we should at least be thankful for that.

Mr. John Nunziata (York South—Weston): Madam Speaker, I just wanted to make it clear here that just because committees can sit in this committee room equipped with television does not mean that the public will have access. The public will have access only if the news media decides to broadcast any part of it.

Some people might be confused in thinking that certain committees will be televised live to television sets right across the country. However, in effect, and this is what the House leader for the New Democratic Party confirmed, the opportunity would simply be there for television stations—

An hon. member: It will be live.

Mr. Nunziata: The member indicates that it will be live. What channel will be used? Perhaps I can put a series of questions to the hon. House leader. First, can he confirm that the proceedings of any committees sitting in that particular room will be broadcast live across the country?

An hon. member: No.

Mr. Nunziata: Can he also indicate the channel? Will it be the parliamentary channel or a separate channel? I would also like to ask the hon. member what the cost of all this is? Who will bear the cost of financing the implementation of the recommendations in the 23rd report of the House management committee? Surely, before the committee was in a position to make this recommendation it would have considered the entire cost of implementing the recommendations.

Madam Deputy Speaker: Unfortunately there is no time left for the hon. member for Kamloops to answer. Maybe he could do it in one minute or less.

Mr. Riis: May I make another suggestion, Madam Speaker? I appreciate that my time has run out but I think the questions raised by my hon. colleague are questions that will be on a lot of people's minds and are appropriate.

I personally was not a member of the committee. Therefore, I wonder if we could seek unanimous consent to have those questions directed to my hon. colleague who introduced this report for his response. I would need unanimous consent to have these questions directed to my colleague.

Madam Deputy Speaker: The House has heard the suggestion. Is there consent?

Some hon. members: Agreed.

Madam Deputy Speaker: Then the hon. member may answer.

Mr. John E. Cole (York—Simcoe): Madam Speaker, this is the way the committee operates, we kind of stretch things on occasion.

I did not hear the first part of the member's question. However, I would like to talk a little bit about the cost, the controls and some of the projections we have received from staff with regard to how this would be handled in terms of cost. There are two or three options to be decided by the management committee as to how it would be done. It can be done on a temporary basis for six months with a capital cost of approximately $35,000. It would cost about $130 to project it.

There are a number of options for televising in one particular room. In one particular case, it can be done for about $125,000. The costs to operate that are more substantive because the equipment is not as sophisticated. We could go to another more sophisticated system and that would reduce the operating costs by about one-quarter. The more expensive system has a pay-back in terms of operating costs. Those are decisions that would have to be made at that time.

As for the radio broadcast, that would be done with existing equipment. There would be very little if any cost, except perhaps some mini-radio or whatever in member's offices to pick up a speaker system or something. It may even be possible to do it over the present television system.

The other thing which I think the member asked concerned—he will have to correct me if I am wrong—when the meetings would be telecast. The point was that Parliament would come first. The House of Commons would come first.

If the House was not sitting, for instance, and a committee meeting was going on then the committee would go live on the parliamentary channel. The committee could be delayed maybe three or four hours and played after the House finished sitting on the parliamentary channel. There is a lot of space on the parliamentary channel that is not being used. The purpose was to use that space on the parliamentary channel that is not presently being used on a slight delay when the House is sitting.

If it is played later the date and time of the meeting would be displayed on the screen at all times so that the public watching it would recognize that it was taped two or three days ago. There is a lot of time on that channel. There are the weekends and times like that. Meetings that took place during the week could be broadcast the following weekend. That may help to answer his question, although I did not hear the beginning of the member's question.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, I would like to take part in this debate. I am still a member of the House management committee and this committee is operating as usual, with sub-committees. But we want to stress, for the benefit of the people who are watching us or listening to us, the importance of the task we have set out to do with the mandate we were given, which is to look into the broadcasting of all proceedings of the House. At every committee meeting I attended, we heard interesting evidence from several witnesses. I will refer to that in my speech.

First of all, Madam Speaker, I would like to point out that it was not just in recent months that the House management committee started looking into the matter of broadcasting. It has been a subject of discussion for years in committee. Besides, my colleague from Saint-Denis participated in the discussions and did an excellent job at that.

Before the advent of radio and television, we had and we still have what we call *Hansard*. I think that ever since the proceedings of the House started to be televised, the challenge has been to produce an electronic *Hansard*. I think that, as was mentioned earlier, other reports along the same lines were produced and we took them into consideration. We have also considered the evidence from several witnesses, namely those representing the media and the press gallery people. They have requested that all proceedings of standing committees, legislative committees or special committees of the House be completely open. We had to reach a compromise *vis-à-vis* this request. Madam Speaker, there is also the issue of costs that must be taken into account and our listeners must think about that. Of course, we would like all proceedings to be public, for we have nothing to hide,

but this implies a cost in order to ensure that everybody gets the same information.

• (1300)

We had to take all those factors into account to come up with a report such as today's which, of course, is not perfect because it will not enable us to meet all the requests. But given our resources and the present situation in the country, I believe that we have struck a balance with this report. Once it will be implemented, we will certainly find flaws that we will be able to correct and we will also be able to improve on it. I hope that with time all our proceedings, particularly at the committees, will be broadcast, as is already the case here in the House of Commons.

I would also like to explain to those who listen to us, because we are talking to all our listeners, that the objective of this report is to inform Canadians and to keep them aware of all the activities of their members and of the Government of Canada. The idea is to make sure that Canadians are well informed, and there is no doubt that this costs money. Let us take the House of Commons. Right now, there are not very many of us in the House. But this is not to say that the members that are not here are not doing anything or are on vacation. They sit on committees, they attend meetings or they work in their offices. Our job does not only involve being here in the House and taking part in debates. There are other places where debates take place.

So it would now be appropriate to tell Canadians about the committees that exist. We often talk about committees, but I believe that we should name them and explain how they work. Their work is important. I will not go back and explain how they used to work, but right now our committees are divided into envelopes. For instance, the human resources sector includes among others, the Standing Committee on Aboriginal Affairs, on which eight members sit, five representing the government, two representing the Official Opposition and one representing the New Democratic Party. There is also the Standing Committee on Human Rights and the Status of Disabled Persons; the Standing Committee on Multiculturalism and Citizenship; the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women; and the Standing Committee on Labour, Employment and Immigration.

For each sector, there are also two legislative committees. Those are standing committees that can call ministers and that discuss the activities of departments. However, we have set up these legislative committees specifically to study bills after second reading to speed up the work of the House.

The other sector that I would like to tell you about is the natural resources envelope. That sector includes the Standing Committee on Agriculture, the Standing Committee on Energy, Mines and Resources, the Standing Committee on Environment, the Standing Committee on Forestry and Fisheries, as well as two legislative committees.

There is also the economics envelope which includes the Standing Committee on External Affairs and International Trade, the Standing Committee on Finance—obviously this economics envelope must include the committee, on finance—the Standing Committee on Industry, Science and Technology, Regional and Northern Development. There is also the transport committee, which is also very important, as well as two legislative committees.

Finally, there is the departmental envelope which includes the Standing Committee on Communications and Culture, the Standing Committee on Consumer and Corporate Affairs and Government Operations—

Mr. Boudria: A very good committee.

Mr. Gagliano: My colleague does an exceptional job. There is, of course, the Standing Committee on Justice and Solicitor General, the Standing Committee on National Defence and Veterans Affairs, the Standing Committee on Official Languages, as well as two legislative committees.

As you can see, we have many committees meeting from Monday to Friday while this House is sitting. Some even start earlier than the House at times. The Canadian people are not aware of the important work accomplished by these committees. I should point out that most of the time witnesses of national stature are invited. National groups come and testify before them to give members of both sides of this House very important suggestions on how to manage the country, how to look to the future, how Canada can become a more prosperous country on the cutting edge. And only members of this House and a few reporters—from the print media—are allowed to attend the meetings and take notes. On the other hand, the electronic media, such as radio and television, are not allowed in, except perhaps just before the meeting is called to order to get some footage for the evening news.

Regarding the committee report before us, there is no doubt that the members of this House, as every-

body else, would like complete coverage of committee proceedings so that people can get all the information they need. There is, however, a financial problem, a problem with the costs involved, but also with knowing which committee should take precedence over which, when, and so on. That is why we have concluded that the best thing would be to have a room, either here in Center Block, or in another building on Parliament Hill, equipped for the broadcasting of committee proceedings. It would then be up to this House, to the three parties, to our House leaders to get together, as we are doing now, and discuss the matter and come to a decision. A number of important things have happened over the past few years, including the repatriation of the Constitution, the Al–Mashat incident, and the GST. It is easy to recognize the great significance of an issue or a policy change such as those. Therefore, an agreement could easily be reached as to which committee should meet in a room equipped for the broadcasting of its proceedings. There will always be a committee whose proceedings will be broadcast.

Another step forward. Unfortunately, my various duties as Whip have prevented me—because I never want to be too far from the House—from travelling as extensively as some other members of the committee who have visited the Ontario Legislature to see how things are done there. It appears that there were some things to learn from that legislature, some innovative ideas. Committee members spent an entire day there and had a very nice welcome. The operation of the system was explained to them and they talked with members of the Ontario Legislature to determine whether some elements could apply here.

Another group of members visited the Quebec National Assembly also to check what kind of innovations could apply in this House.

These two visits were significant enough to allow the committee to draw conclusions and prepare the report being debated today, which has met with approval from all three political parties. I imagine that pretty soon we will be able to implement this new system.

• (1310)

As I was saying, part of the problem was solved by having one room permanently equipped for television broadcasting. For the other committees we decided to use the system they have at the Quebec National Assembly. I do not know whether the legislature in Toronto has the same system, but in Quebec City they have an audio system which provides a feed from all committee meetings. This feed is available to members in their offices, where they can listen to committee proceedings and there will also be a feed to the press gallery.

So we have made some progress. Once the report is adopted, we will have a room that is permanently equipped for broadcasting committee proceedings. However, it will be up to the House to decide whether broadcasting will be gavel to gavel, while all other committees will be able to provide an audio feed of their proceedings and debates.

I think perhaps it was not understood that the main objective was to televise the sittings of House committees, but I think we have made some very important progress. Once the report is adopted, we will be able broadcast major committee proceedings.

At the present time, all Canadians watch the debates of the House, including Oral Question Period, but very few people except for members, their assistants and a few journalists are aware of the important issues being discussed in more than 20 standing committees, in addition to the legislative committees. With this system, people will not only be able to listen to exchanges between members but also to testimony by experts and important groups in Canada which appear before those committees and provide further material for discussion, to help us improve our laws and improve the well–being of our young people, our children and grandchildren, so they can look foward to a decent future in this country.

Consequently, the committee first recommends that the audio feed provided by the House of Commons of public committee meetings be able to be recorded. The committee also recommends that the audio feed of all public committee meetings be made available to members of Parliament, their staffs and the Parliamentary Press Gallery on Parliament Hill, and be used for broadcasting purposes. So if the press wishes to do so, it can use the audio tape for its news reports.

Here are some more recommendations, and there are quite a few. The committee recommends that the House of Commons should initially equip one committee room for broadcasting, and the proceedings of all committees meeting in this room should be taped in full, made available to the media, and broadcast as part of the parliamentary channel.

I think that my colleague from York South—Weston just asked on which channel. I think that it will be on the parliamentary channel. So everything will always be broadcast on the parliamentary channel. Of course journalists will be able to use it for their news reports.

The fifth recommendation is as follows: the date of the committee meeting must appear on the screen at all times in legible print.

Here is the sixth recommendation: the decision as to which committees shall meet in this room will be made by the House leaders, or, if they are unable to agree, by the Standing Committee on House Management.

We know that according to tradition, our House leaders meet regularly to discuss and that they often reach consensus. So the House leaders will make the decision. If there is no agreement, the Standing Committee on House Management will decide which committee can sit in the room equipped for broadcasting.

The seventh recommendation is: all committees of the House of Commons, including standing, legislative and special committees, would be entitled to meet in the specially equipped room to have their meetings broadcast, provided that priority shall be given to those committees that do not have a special order from the House permitting any meeting or series of meetings to be broadcast.

Next, the eighth recommendation is as follows: the committee recommends that the Standing Orders of the House of Commons be amended to provide as follows: "108.(3) The mandate of the Standing Committee on (*a*) House Management shall include, in addition to the duties set forth in Standing Order 104, and among other matters: (v) the review of and report on the radio and television broadcasting of the proceedings of the House and its committees".

I think that is very important, because it is something being added to the mandate of the standing committee of the House.

[*English*]

The Acting Speaker (Mr. Paproski): I regret to interrupt the hon. member but his time has expired.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I listened carefully to my colleague. I agree with everything that he said in terms of making sure our committees are reported on the same conditions as the House of Commons. What I do not understand is why they only want to have one committee room.

I share the view of the hon. member that probably the best work in this House of Commons is done in committee. One of the reasons why it is the best is that many expert witnesses from all over the country, sometimes from all over the world, appear before committees. Their testimony sometimes forms the basis of policy that is developed in this country.

If we only cover one committee, or have the capability of only covering one committee, I think we are going to end up creating two or three classes of legislative work. The camera equipment is obviously going to be a large capital cost in the beginning. Once we get over that hurdle it would not be that difficult to get another channel just to do committee work. Televising committee meetings is great training. It is great experience for people.

I ask my colleague who is an entrepreneur: why are we going at this thing in half measure? Why are we creating a situation where all of a sudden the only committee that is going to be televised is the finance committee because everyone wants to be on the finance committee? Then all of a sudden we have created two tiers of committees. When we were conducting the GST hearings in the finance committee there was a line-up. Everybody wanted to appear and everybody wanted to sit on the finance committee and they could not find anybody to do the other committees.

• (1320)

For example, yesterday we had a committee meeting on tourism and we could barely get a quorum. We had some of the best witnesses on tourism from all over the country; they were experts in their field. Even though tourism is an important issue we can bet our bottom dollar if in the next room over the finance committee was being televised that is where everyone would want to be.

My colleague is described by our House leader as one of those elite members of the management board. I ask him: Why do we not bite the bullet right now? If we are going to do this—and I am sure we will get unanimous support for this idea—let us not do it in half measure. Let us do all committees all of the time and let us get another parliamentary channel.

Mr. Gagliano: Mr. Speaker, I want to thank my colleague for his questions and comments.

I said in my speech that the objective was to create an electronic *Hansard* for everything that is being done around this place. Unfortunately there are two considerations. First, this place does not move as fast as my hon. colleague and myself would like it to move. What we accomplished in this report is a step in the right direction.

Second, there is a major capital cost involved. It is not just to install cameras and some wires. I listed all the committees that we have. Aside from all the legislative and special committees, there are over 20 permanent committees sitting from Monday to Friday. People might think we have a lot of large rooms here, but according to the experts we were told that it would require major capital cost allowances for renovations. If we look at all the rooms that we have, most of our committee rooms do not have enough space. We have to remodel these rooms before we can install equipment.

We have to act fast. This thing was started years and years ago. We have had enough study. We have to start somewhere. We were told that if we wanted to start right away at least one room could be accommodated. We have at least one room where we do not have to do any alternations. We do not have to knock walls down, remove floors and so on. We just have to install some cameras and we have the cameras. Perhaps we will have to buy a couple of new ones, which is not a major expenditure. We could start right away. So that is what we went for.

We have something that is just the beginning. We hope that gradually over today and next week this report will be implemented. The management committee now has the mandate to supervise this new thing. If it is good and it needs some improvement, we will make it. In the meantime we will look to find other means, other rooms and other equipment, as much as we can.

We know we are living in a very tight economic situation. As soon as we can move, we will definitely add more committee rooms which will be televised. I encourage my colleague to keep pushing members of the management committee like myself so that we can have more committee rooms equipped with television cameras like the first one we will be creating very soon.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have just listened to the remarks and particularly the questions and comments—these last few moments regarding an indication and a willingness to televise the proceedings of this House and its committees as much as possible. I am just wondering if the hon. member can give me an assurance that we will be able to complete all those reports this afternoon which will allow us to do just that, to open up the process for private members, the cameras, and so on.

Mr. Gagliano: Mr. Speaker, I want to take this opportunity to thank the hon. parliamentary secretary, who is also chairman of the House management committee, for his collaboration. We had a lot of meetings and he was very patient during them. He knows very well that it took almost a year before we arrived at this report. I am sure he would agree with me that we had a lot of time in the committee to hear witnesses, to ask questions and to get answers. But I am sure he would like to give an opportunity to all members who want to ask questions this afternoon. I think, if he is patient enough, he might get the report before the end of the day. That is the only commitment I can make so far.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am very pleased to have the opportunity to speak on the motion today to adopt the 23rd report of the broadcasting of committee meetings.

First of all let me say to the House that perhaps I will not take all of my 20 minutes to make these remarks but, then again, at the urging of some of my colleagues one never knows.

I should explain to members across the way the position of my colleagues in the Liberal Party and I on this issue. That is very important. Because of the importance of the committees, as the member for Saint-Léonard has said, it is very crucial that the broadcasting of committees take place.

I am pleased to say to the parliamentary secretary that I for one will definitely vote in favour of that motion when the time comes. I also want him to know that I agree with the decision of the management committee to review the experimental guidelines that will be in the report after a six-month trial period.

I had the opportunity in a previous incarnation, shall we say, to sit in the Ontario legislature where it was permitted—

Mr. Nunziata: An excellent member you were.

Mr. Boudria: I want to express my heartfelt thanks to the very distinguished and learned member for York South—Weston for his complimentary words.

In the days when I was in the Ontario legislature a form of televising of committees was permitted. However it was not a particularly good way of doing it. At that time camera crews were allowed to walk into the room physically, cameras on their shoulders and someone else carrying the extended boom microphone. They would walk around the table between members, cameras on their shoulders, sometimes taking pictures of documents which a member might have been looking at.

I was not too crazy about that system, Mr. Speaker, as you can pretty well understand. If you were reading correspondence from Mrs. Smith explaining a particular constituency problem, you literally had to hide your papers when a camera was carried into the room.

I understand that system has been done away with now. Of course we are not going to do anything like that here. We have to respect the privacy not of the member—that is secondary—but of the information that members might have with them. We do carry around constituency cases, issues that we refer to for the purposes of making speeches, addressing committees, and so on. Frankly I do not think it is proper that the briefing notes we might have, or even personal correspondence or issues involving an individual Canadian, could be viewed via a particular report.

• (1330)

In addition, the committee rooms in the legislature would allow sound recording equipment everywhere. Some members might be tempted to say: "What is wrong with that?" Here is what is wrong with it.

A reporter would walk into the room with a little cassette recorder, plunk it down in front of you in the committee room or between two MPs, perhaps even two MPs who did not have the floor at that particular time. You could not even whisper to your colleague beside you to ask his or her advice on the situation that you might be discussing because there was a dumb tape recorder between the two of you. Obviously again, not appropriate.

I do not object to allowing reporters to plug their microphones into the broadcast system of the committee. I do not object to that. It does not make any difference. It is all on the record anyway. Nor do I object, on an experimental basis, at some point in the future designating an area in one of our committee rooms, perhaps by having a stand of sorts.

If a camera crew wants to come in, they can film to their heart's content, providing they are on that particular podium where they have to be in order to take camera shots of the room. They should not disrupt witnesses, walk between people in the room, take pictures of documents on a table and so on. You can see how ridiculous a situation can get, and it was pretty far out at that particular time in the Ontario legislature.

I understand they have cleaned up that particular act and you can understand why they would want to. Basically, what we are advocating here is, hopefully, going to pass in the fullness of time once all my colleagues have had an opportunity to speak on this particular issue. What is proposed is to have one room in which there would be the televising of committees.

Some members say that that will only permit one committee to be televised. Not so, because obviously the same committee does not meet 12 hours a day. Committee meetings usually last about an hour and a half, some sit for two hours. For instance, if the finance committee wants to meet in that particular room from 9.30 a.m. to 11 a.m., it might do so. From 11 a.m. until 1 p.m., a second committee might use it and, after Question Period, another committee might meet from 3.30 p.m. to

5 p.m. in that particular room. Then perhaps, there might be another committee in the evening.

The point I am making is just because there is one room, it does not mean that only one committee meeting per day can be televised. Indeed, it could very well be, if the demand is there, that four or five different committees per day could be broadcast on television.

This is certainly a good start. I totally agree with the member for York South—Weston because he very astutely—he is always very astute, of course—pointed out earlier today that we should be conscious of the cost of doing this. That is, indeed, quite appropriate to bring up at this time.

By having just one room and utilizing it with greater frequency, I think it is a good marriage of the principle that we want Canadians to see many parliamentary committees on television, if that is what they want or if the media wants to obtain footage and so on of the proceedings of those committees. At the same time, we have to have due regard for the taxpayers and not develop something which will be too costly and that we cannot afford.

I congratulate the member for York South—Weston who brought up that point a little earlier this day. Indeed, he was quite correct as he usually is.

[*Translation*]

We are discussing the 23rd report of this committee. It might be good to review together the various recommendations made by this committee.

So here they are. The first recommendation is to allow the recording of the audio feed provided by the House of Commons for public committee meetings. I was just talking about that. It allows a journalist to connect his tape recorder to the committee sound system. Frankly, this is not a major development and it is easy to do. I definitely have the impression that media people cheated a little from time to time, that is, that they taped committee meetings before, even if it was not officially permitted.

I sometimes found it interesting to hear on the radio testimony given to a parliamentary committee which had been recorded while the committee was in session. Obviously this reporter or whoever it was had taped it without first getting permission. It must be said that the rule was perhaps a little out of date. So I see it as updating our rules.

Now I come to the second recommendation: that the audio feed of all public committee meetings be made available to members of Parliament, their staffs and the Parliamentary Press Gallery. I must say that this system exists or at least existed at Queen's Park as early as 1981; that is, you could tune in and find out what was going on in the various committee rooms. It involved a device, a loud speaker really, that was installed in the MPPs' offices. You just had to turn the dial and you could hear what was going on in committee rooms 1, 2, 3, 4 or 5. When it was an important issue for the member in question, he could immediately go there and speak.

Some will say that this might lower attendance at committees, but I would say that the opposite will occur, because parliamentarians will be inclined to go to the committee room when important issues are being dealt with, which happens very often.

The committee also recommended that the House of Commons should initially equip one committee room for broadcasting. There is no need to repeat what I said earlier, Mr. Speaker, because I would not want to waste the House's time and bore you, so I will make my remarks very brief. I already gave my opinion on that.

Another point is that the recording of the committee proceedings will be undertaken by or on behalf of the House of Commons, and under the direct control and supervision of House personnel. I think that is also a good idea, but I would be inclined to go even further; that is, I would allow journalists to broadcast committee meetings in other rooms, provided that the cameras were set up in places prescribed in advance. I talked about that as well a little earlier. In any case, this is not dealt with in the report, but we might look into it in future.

The fifth recommendation is that the date of the committee meeting must appear on the screen at all times in legible print. The reason for that is important. Since the House of Commons channel will be used, it might be impossible to broadcast the committee live. So Canadians who are watching it on television will want to know whether it is a live broadcast or a tape from a day or two before. I think it is important to have that information on the screen.

Next, the sixth recommendation is that the decision as to which committees shall meet in this room will be made by the House leaders. That is a very good recommendation and I think an important point should be raised here. Despite what some people might think from time to time, parliamentarians are not always arguing strenuously. In general, there is good cooperation among the various parties in the House. For example, as you know, Mr. Speaker, most bills are passed in Parliament without a recorded division but by a simple oral vote. The opposition does not challenge everything, whatever people may think. When asking students in my riding whether they think the government introduces all the legislation and the opposition always votes against the government, the answer is always yes. Well that is not the case. In fact, the vast majority of bills are adopted by all sides of the House. Motions are adopted by unanimous consent practically every day by this Parliament, sometimes several times a day. This is something people are not generally aware of, and I think we should make this clear.

• (1340)

It will be up to the three House leaders to decide which committees will be broadcast from the new room specially equipped for this kind of activity. Incidentally, I do not know whether the room has already been chosen. I see the hon. member for Saint-Denis, who is an expert on the subject, and I hope it will be Room 237C, a very nice room on Parliament Hill which lends itself to this kind of thing and should be used more often.

I also wish to inform the hon. member for Saint-Denis, considering his expertise, that I think Room 237C could also be used by the media to broadcast their comments on the budget, for instance. I saw the scene in front of the House of Commons on budget day. There was an atrocious tangle of cables and wires of every description. People were crowded against each other. There were strangers all over the place, even in the entrance to the House of Commons. It was not a pretty sight. We should move whatever is done outside the House on budget day, or when we have other important speeches such as the Speech from the Throne, to Room 237C, which is a very nice room and will now be equipped for the TV cameras.

This was for the information of the hon. member for Saint-Denis. I know he is busy taking notes.

Finally, the committee's seventh recommendation is that all committees of the House of Commons, including standing, legislative and special committees, would be entitled to meet in the specially equipped room to have their meetings broadcast, provided that priority shall be given to those committees that do not have a special order from the House permitting any meeting or series of meetings to be broadcast, I think that is self-explanatory, because the room is used even when committee proceedings do not have to be broadcast on television.

This was a very brief explanation of the subject of today's debate, but I think it is important to know to what extent the motion is supported by members of this House. Today, several members spoke out in favour of this initiative, and I hope that other members, including my very distinguished colleague from York South—Weston, will find time to rise in the House before the end of the day and express their support for this motion.

I know that since this morning, the hon. member for Stormont—Dundas has been gearing up for a major speech on the subject. I hope there will be enough time to accommodate everyone who wishes to speak. If there is not enough time, perhaps we could continue this debate next week on Monday, Tuesday, Wednesday or Thursday. There are several days on which we could discuss these issues, and perhaps we could take a few more days and continue this important debate.

I am sure that many other members will also want to comment on this.

With this, I will conclude my brief comments on that subject. I will, of course, reiterate my support for this initiative and congratulate all the members of the Standing Committee on House Management for the excellent work they did in relation with report number 23.

[*English*]

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I listened to my colleague from Glengarry—Prescott—Russell with great interest.

I was particularly interested in his comments about televising certain committees. I certainly agree with that. The Canadian public wants the government to be more open. A good way to do that is to broadcast or televise certain committee deliberations. I say certain because there is a class factor here. We do have to think of the cost because this is the taxpayer's money. It would be great if we could televise the deliberations of all committees. I do not feel that is a practical thing to do because of the money involved.

As we all know in this House, committees do important work. Over the past number of years we have seen that committee work has become more important. As members of Parliament, we spend a great deal of time in those committees. If Canadians could watch the deliberations of these committees, they would have a greater understanding and knowledge of the issues and legislation that is before the House of Commons.

One committee I have the privilege to serve on is the conflict of interest legislative committee, an all-party committee made up of senators and members from the House of Commons. We meet every Tuesday and Thursday morning while the House is in session. We hope to have a report to the House by the end of June.

That committee is time-consuming but it is important. This whole topic of conflict of interest is one that is extremely important to the Canadian public. As you know, presently we do not have any legislation. We operate under a code that was brought in by the present Prime Minister.

An hon. member: That is a joke.

Ms. Callbeck: Clearly, that code is inadequate. We need legislation. We need strict legislation but it has to be legislation that is workable and reasonable. As I said, I feel that the public would find the deliberations of that particular committee extremely interesting and important.

An hon. member: Absolutely.

Ms. Callbeck: The hon. member for Glengarry—Prescott—Russell is also a member of that committee. I would like to ask that member if he feels that the public would benefit a great deal by being able to watch the proceedings of the conflict of interest committee.

Mr. Boudria: Mr. Speaker, I thank my colleague for the question. I want to congratulate her for the fine work she is doing on that committee. I am sure that her constituents would be very, very impressed were they given the opportunity to see the work that is being done by that member and others on that committee.

More important is the fact that we have listened to very interesting witnesses. For example, yesterday we had the Chief Electoral Officer for Canada before our committee. He answered questions for two hours in a very forthright manner. He was an excellent witness before our committee. We had the Assistant Deputy Registrar General for Canada. We had the Administrator of the Conflict of Interest Rules for the province of Ontario, *le jurisconsulte du Québec* and other witnesses like that.

• (1350)

An hon. member: Judge Parker.

Mr. Boudria: Justice Parker. You remember Justice Parker, Mr. Speaker, of the Parker commission of inquiry into the activities of Mr. Sinclair Stevens. I am sure everyone remembers that. Perhaps I can refresh the memory of members as to that issue. On second thought, maybe I should not. I will leave it at that. We had Mitchell Sharp and very, very many other such witnesses. They gave very good recommendations, not always identical but that is the job of our committee, to sift through all of that and arrive at legislation that will be workable yet tough.

My colleague brings a very good point. It has to be workable. There is no point in bringing a set of rules that is going to be breached by everyone. Of course you could argue it is not just the rules that have to be changed; it is the mindset of some people who are supposed to be living by rules and seemingly have some difficulty in doing so. That is a matter to be discussed some other time. The point my colleague was making is excellent. Canadians could see what we are doing in that committee. It is important work. They could view the witnesses, the advice they gave us. Of course they would feel, I am sure, that we are trying to repair some of that damage to our institution that has happened over recent years and trying to clean up what has happened. That is perhaps the very first committee that should be televised with the new rules we are discussing today and will be adopting very, very soon, as soon as all of our colleagues have finished making their excellent comments in regard to the motion that is at hand.

Mr. John Nunziata (York South—Weston): Mr. Speaker, first let me thank my friend and colleague, the member for Glengarry—Prescott—Russell, for his very kind words. Needless to say, I ought to reciprocate and comment on his distinguished service over the last eight years, both in the House and at committee. The member speaks with considerable experience, having not only represented his constituents of Glengarry—Prescott—Russell with such distinction for the last eight years, but also having represented them at Queen's Park. He knows of what he speaks. He has participated very actively behind the scenes in order to ensure that somehow we help regain some of the lost respect for this institution. No doubt the member agrees that this will assist in some small way.

I am concerned, however, that this committee report does not go far enough. I know the member commented about it. Certainly the government has to take responsibility for not going as far as we would like this report to go. It seems to me that even with the adoption of this particular report, much of the work done by hon. members at committee will go unreported and unnoticed because only one committee can be televised at a time. The House leaders, as I understand, will have to determine which of the committees is deserving of support in order to occupy the room where the television cameras will be.

Yesterday I was at a committee. It was an employment sub-committee meeting. One of my colleagues had presented a private member's motion to amend the Employment Act in order to create some fairness to the act. It seems to me that the House leaders would not agree that that particular committee ought to be televised because it is not an issue of so-called national importance. Yet it is an issue that will affect a great number of Canadians.

Can the hon. member for Glengarry—Prescott—Russell respond to the fact that the government has not gone all the way in terms of the media. I know he responded in his submissions as to the reasons why the media should be allowed to go into any of the committee rooms, but would he not agree that there could be some ground rules established where the media would be restricted from going beyond a certain point in a committee room so that their cameras could enter a committee room but not go beyond say the last 10—

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. I regret the hon. member will not have time.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, it is a pleasure to rise to participate in this debate this afternoon. As has been indicated by many of the previous speakers, many of my colleagues, the hon. member for Glengarry—Prescott—Russell, the hon. member for Cape Breton—East Richmond and the hon. member for Saint-Léonard, I was a member of the management committee that came up with this report.

I want to say that this report in my view represents a very significant compromise on the part of the members of the committee who were very concerned that the government live up to the undertakings and obligations that it assumed when it changed the rules of this House almost a year ago.

I was privy to the negotiations that led to those rule changes. I am sure Your Honour recalls very well that the government introduced a resolution to make significant changes to the Standing Orders of this House, which motion was debated and then forced through. I believe closure was applied to the motion.

My friend from Glengarry—Prescott—Russell perhaps remembers but I think closure was applied on that motion and the government had to use almost force of arms to get these changes through the House because it would not negotiate to a conclusion on the proposed changes.

An hon. member: Shame on the government.

Mr. Milliken: It was a shame. I think there were genuine efforts made at agreement but the government was so bent on certain changes and so unwilling to continue discussions for an extended period that it ultimately came up with its own resolution and rammed a bunch of forced changes through the House.

Of course, many of these changes are being undone. In fact, one of the other motions that the parliamentary secretary wanted to debate this afternoon, which he is going to have to postpone for a while, made changes to the legislative committees. I well recall the discussion in the negotiations when we told him that these were unworkable, but he insisted that the government wanted to proceed with that any way they would work. He was going to make them work. He was going to force the

House to change and accommodate itself to the new rules that he was proposing.

Of course, we all know now it did not work. The members of his own party have rebelled against the changes and so we are now going back to the previous arrangements and that will probably get passed some other time.

In the meantime, the parliamentary secretary to the government House leader has called this particular motion for concurrence in this report dealing with television in committees. I want to say that in the course of the changes that he rammed through the House a year ago, there was a negotiated change made with respect to committees. In fact, there were a whole lot of changes with respect to committees.

One of the things that I insisted on in the negotiations as a price for agreement on some of the changes to the committees was the televising of committees. The television was to be allowed at the discretion of the committee itself. The agreement was embodied in a change to Standing Order 119(1). I would like to read to the House the terms of the Standing Order which we agreed to and which the parliamentary secretary to the government House leader specifically agreed to as part of those negotiations and which Standing Order change was incorporated in the government motion that proposed those changes to the House. Standing Order 119.1(2) states:

> The Standing Committee on House Management shall establish, by report to the House of Commons, experimental guidelines governing the broadcasting of committee meetings. After concurrence by the House in such a report, any committee may permit the presence of the electronic media at its meetings, subject to the said guidelines.

It is perfectly clear. The purpose of the new Standing Order was to allow the house management committee to draft a set of guidelines by committees which, on adoption by the House, allowed any committee to make a decision to allow the electronic media into its meetings subject to the guidelines.

• (1400)

This report falls far short of that undertaking given by the parliamentary secretary to the government House leader on behalf of his boss, the government House leader. In fact, this report is a complete change from the provisions of that Standing Order. That Standing Order, in effect, is being left as a meaningless piece of English.

It was a firm commitment made by this government in the course of the negotiations as a price for our agreement to certain other changes to the Standing Orders and then rammed through this House and is now being reneged upon after the House has passed an order adopting the agreement. That is what this is. It is a breach of undertaking, it is a breach of obligation and it is a flagrant abuse of trust.

I say that the report that we are left to deal with today, while it has its strengths, is not what the Standing Orders called for. It is not what the government promised as a price for our concurrence to some of the more odious rule changes that it adopted.

Of course, we ended up having to fight the rule changes in their entirety because they were not in accordance with the agreement, but that particular one was. That agreement was obtained because of the request put forward by me, on behalf of our party. I believe it was fully concurred in by the hon. member for Kamloops who was involved in those negotiations on behalf of the New Democratic Party.

I regret that the government cannot live up to an undertaking. I think it is a shocking way to proceed and I am very sorry that has happened.

Having said that, what has the government proposed in exchange? I wish the chairman of the committee had come on these committee meetings to Toronto and to Quebec City, but the chairman saw fit to do neither. As a result, I suggest he has got himself into trouble with this report.

Had he come he might have seen how systems have worked in these other two legislatures. In Toronto they had a system similar to that described in this report. There is a single room established for committee hearings that are to be televised. Committees apply for leave to sit in that committee room where the proceedings will be televised. As long as there is no conflict they may go and use the room. If two or more committees apply to sit in the room at the same time there is a decision-making

mechanism to decide which committee will go and sit in the room.

Essentially that is what we have here. The difference is that there are far more standing committees in this House than there are in the Ontario Legislature. There is a far greater regional diversity of interest in this House than there is in the Ontario Legislature and for that reason, there will be greater demands for the use of the single room.

In addition, adoption of this report does nothing to ensure that the room will in fact be made available. That requires the expenditure of public funds. The funds will have to be found by the Board of Internal Economy, set aside, made available, the work completed, the room established, the television costs, costs of preparing the televised proceedings will have to be borne by the House, and so on. It is a major financial commitment amounting to hundreds of thousands of dollars.

Unfortunately, it is by no means clear that this particular development will occur between now and the end of 1992 or indeed before the end of this Parliament.

In other words, adoption of this report may do nothing to further the televising of committees. It may be that it is simply an exercise in futility. I am optimistic it would not be, but I have no reason to believe that the government, complaining as it does about the high cost of Parliament, will loosen the purse strings for the purposes of this report.

I am wondering if we have some undertaking for what it may be worth, from the government House leader with respect to the funding of this proposal. We have heard nothing from him so far and certainly his parliamentary secretary is unable to give any undertaking. I suggest it would not be worth much either based on the previous undertakings we have had from him in respect of these rule changes.

The other aspect of this report that is of interest to the House and to members is the one that allows for radio broadcast of the committee proceedings.

It now appears that when a committee sits, its proceedings which are currently recorded and placed on tape will now be made available by a radio system throughout this building, in fact throughout all the parliamentary precincts.

In other words, a member who is unable to be present at a committee meeting would be able to tune into the proceedings of the committee on radio. That may not tell him exactly who it is that is speaking at all times, although I understand there is some kind of announcement that comes on that so-and-so has the floor. But at least the proceedings will be relatively intelligible to members of the House and their staffs who are able to listen, and of course to the media who through their various tapping sources in the building, legitimate tapping sources I want to say, will be able to record those proceedings and then use them for subsequent broadcast.

In other words, all committees will have radio coverage but none will have TV coverage, at least until such time as the special committee room is established.

Why we would favour one of the electronic media over the other is a mystery to me. I have had no explanation from the hon. member for York Simcoe in his speech as to why radio would be favoured over television. But that apparently is the aim of this report, to give the broadcast media different rights. Audio feed will be available, visual feed will not be available, except from the one room whenever it happens to be established.

I suppose we can be thankful for small mercies. I suspect that the opening up of the committees to radio is of some assistance and certainly will be helpful for news broadcasters and the radio media.

It is also possible that an imaginative television crew taking videos as they do of a committee about to start its meeting could play the sound of the committee over the photographs of the members sitting around the table, and thereby make at least some semblance of sense out of what it cannot otherwise do. But I fear that the approach is one that is sadly lacking.

I am sorry that we have only been able to go this far. But, as indicated by the hon. member for Glengarry—Prescott—Russell, we in this party are prepared to support the changes as far as they go. But I think the chairman of our committee knows full well my profound regret at the failure to live up to the commitments made that I outlined earlier in my speech.

The arrangement that is here for meetings and which was referred to by my very learned colleague from York South—Weston whereby the House leaders may make a decision in respect of the committees that may meet, in the special room, I suggest is one that needs to be dealt with.

The arrangement intended by the committee is quite clear. If a committee of which he is a member applies to sit in the room and no other committee is sitting at that time, his committee will sit in the room and will be televised.

It is a decision of his own committee to decide to go there. If his committee applies to sit in the room at, say ten o'clock next Tuesday morning and no other committee is sitting at ten o'clock next Tuesday morning, then no doubt his committee will sit in the room at ten o'clock next Tuesday morning.

• (1410)

That is just the way it will operate. It is intended to go to the House leaders only when the committees do not agree. It is intended that way, but I agree the wording is not the way it should be and that is cause for concern. For instance, if two committees apply at ten o'clock, the chairmen would be expected to get together and resolve the matter.

They would have a discussion. One would say: "We can move our meeting to 11.30 a.m. to accommodate you. Let's do it that way. The slot is open at 11.30 a.m." That is what would happen. If the committee chairmen are unable to agree, they would apply to the House leaders, and if agreement could not be obtained there, then there would be a decision made in the management committee.

Clearly, with its majority on that committee, the government would control the management committee decision. That is the last resort. The idea is it would be settled elsewhere.

I agree that the wording of the committee recommendation leaves the decision in the hands of the House leaders. But it was not intended that the decision, as I understood it and as the parliamentary secretary to the government House leader can clarify in his remarks, as to which committees sit be made by them. It was only in the event of a dispute that the decision was to be made by them. Perhaps that was his intention all along.

It was clear that all committees could sit there, but in addition, any committee could apply to have all its proceedings or part of its proceedings televised. It could obtain that consent by order of the House.

For example, if he, as a member of the employment and immigration committee, and his committee were to undertake a study of the ruinous effects of Bill C–21 on unemployment insurance in Canada, which I suggest it do, it might apply to the House for an order seeking the televising of its proceedings in respect of that undertaking.

So all committee meetings dealing with the ruinous effects of Bill C–21 which the government introduced a couple of years ago and forced through this House, if the committee undertook that kind of hearing, then obviously he could apply through the committee structure to the House for an order for the televising of those proceedings.

I think that much is clear. That is still permitted both under the Standing Orders of the House, of course, and under the committee recommendations. There is no problem with that arrangement.

The special room deals only with those committees that seek to be televised for only one or two of their meetings because many committees, of course, will not want to be televised.

I should say in fairness that the experience in the Ontario Legislature is that the room is in fact not used all the time. After an initial flurry of interest, many committees have decided against proceeding with the televising of most of their proceedings. Accordingly, the room is not used 24 hours a day or anything like that. It is not used even 12 hours a day. The use has dwindled off. There is some interest, but it is not overwhelming on the part of all committees. I strongly suspect that the experience in this Chamber would be similar to that.

While we have profound regrets about what this report does not contain, we are prepared to support what is here. I am pleased to have had this opportunity to add a few words to the debate on this important subject.

Mr. John Nunziata (York South—Weston): Mr. Speaker, perhaps the member can clarify in terms of whether the proceedings of committees that participate in what he refers to as the special room will go live to the nation.

We heard earlier, for example, that that is not exactly the case. If the House is sitting, the proceedings of this House will take precedence and the proceedings of a committee will, for the most part, take place later on when the House adjourns or when the House is not sitting.

Can he confirm that? Perhaps the member can also confirm what the cost will be to the taxpayers of Canada to implement this particular report of the House management committee. Earlier, the government member on the committee was unable to indicate the exact cost.

It seems that what the committee is asking for is approval in principle. The details of the implementation of this particular report really have not worked out. I am wondering whether this report might be somewhat premature in that the technical details have not been worked out.

While he is on his feet can the hon. member comment on the response of the parliamentary press gallery. Did it make submissions to the House management committee on this particular issue? If so, can he share with the House what those submissions were?

Mr. Milliken: Mr. Speaker, I want to thank the hon. member for his series of questions. I hope I can answer them in the time I have available to me.

First, with respect to the time of broadcast which I think was his first question, it is anticipated that committee proceedings recorded while the House is sitting would not be broadcast at the same time.

I think he would agree that this House in its deliberations ought to be the primary focus of the parliamentary channel. It ought to be what is broadcast first and foremost. To the extent that committees sit while the House is sitting, which is the bulk of committee hearings, they could not be broadcast at the same time as the House is sitting. They would be recorded and played at a later time. The question is whether they would be played later in the evening or on weekends, or played in the weeks when Parliament is not sitting.

There is a series of options. The play back could obviously take place on more than one occasion. I suspect that it might be worthwhile from an editorial point of view to lump committee proceedings together so that on a particular day we would play a series of meetings of the finance committee or the employment and immigration committee, rather than one meeting of one committee, then one of another, and one of yet another. This would allow the public to see some line of questioning and work carried on in the committees over a period of time.

The proceedings of this House are rebroadcast after the day's proceedings have ended. That has been a very popular move with the people who watch the parliamentary channel, of which there are many in Canada, perhaps surprisingly. I hear constant comments in favour of the repeat performance. Members of the public who watch often do so in the evening, particularly in the western provinces where the broadcast occurs relatively early in the day. It provides an opportunity for people to see Parliament which they otherwise would not have without taping the proceedings.

Time of broadcast is going to be a tough question. In fact, in my view it underscores the need for a thorough review of the parliamentary channel to see if some arrangement cannot be made for wrap-around programming which would include those committee broadcasts which are recorded during the day.

The trick will be to find a time for broadcasting that accommodates all hon. members given the wide geographic range of the country and the various time zones, which will obviously impact on that decision.

Second, he asked about cost. Cost analysis was in fact available to the committee. He will have to pardon me because I do not have much of a head for figures. I know it is a significant cost. There is certain camera equipment that will have to be acquired. Certain rooms on the Hill are now wired for this purpose and the wiring costs will be fairly minimal. All the rooms are now wired for sound and the sound part of the recommendation, which is the installation of radios in members' offices, is a peanut item. It will cost about $100,000 in total for the acquisition of the radios and their installation.

Mr. Nunziata: So it is not on TV?

Mr. Milliken: Not on TV. That is just the radio part. Remember that committees will only be broadcast on the radio unless they are in the special room.

Mr. Nunziata: Isn't the sound going through TV?

Mr. Milliken: I believe the sound will go through TV but some kind of adapter has to be purchased which will sit on top of the television to make it possible for the member to move from one channel to another to pick up the sound from the different rooms.

That piece of equipment has to be purchased for all the offices on the Hill. It is a one-time cost once purchased and installed and it is all available. It is relatively inexpensive equipment but there are so many to purchase.

As I recall the cost of that is around $100,000, but my head for figures is not a good one. I urge the hon. member to check the committee proceedings if he has doubts about it.

The cost of setting up the room is another matter. The cameras have to be purchased for that room. There will have to be some structural adjustments made to the room so that we benefit from the fact that it is being televised. The current layout of committee seating in a square will probably have to be changed somewhat to make it easier to do television work in the room. It is thought that the cameras should be in fixed positions.

• (1420)

The Acting Speaker (Mr. Paproski): The hon. member has another questioner.

Mr. Milliken: There are so many questioners left. I will do my best to answer them. I think I have the time. I will try to get to the hon. member in a minute.

An hon. member: There may not be time.

Mr. Milliken: Maybe not, but I am doing my best.

The third was the question of the press gallery and its views on this.

Mr. Nunziata: Did it appear before the committee?

Mr. Milliken: Yes, I can say to the hon. member for York South—Weston that the press gallery did appear before the committee. It did make submissions. It pressed for televising committees in an open way, as appeared to have been recommended and required by the Standing Order change forced through the House last May or June. It expected to have television access to committees. This does not meet the requests of that group. It does allow for televising of some committees. I am sure that will please the members who came, but it does not go as far as anticipated.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I was attempting to put a question forward to my colleague from Kingston and the Islands.

Mr. Milliken: Maybe we could have unanimous consent instead of debate.

Mr. Mills: I put the question to my colleague from Montreal earlier. It concerns that portion of this recommendation that would suggest that we only televise some of these committee meetings. That continues the process which goes on around here under which there is almost a two-tier system. If you are part of the tactical operations team that prepares for Question Period every day then obviously you tend to get a regular slot on Question Period. If you are not part of that tactical team then—

Mr. Nunziata: The élite.

Mr. Mills: My colleague from York South—Weston calls it the élite.

Mr. Nunziata: The different ones.

Mr. Mills: Some people say "the ins and the outs". At any rate, you can go for as long as a year. I have had a grand total of two questions in Question Period during the last year in the House. As a result I receive many phone calls from my constituents asking: "Why do you never get to ask questions? You are never there. Do you not do any work in Ottawa? Where are you coming from?" I have to try to explain.

I do not explain that there are the "ins and the outs" because they would never believe that. I do explain that there are other things going on here in Ottawa, such as committee work and other exercises, just as important to advancing the debate in general. Of course, there are these debates in the afternoons and evenings. In other words, there are a lot of activities going on in this parliamentary system that have nothing to do with Question Period.

My friend from Ottawa South and I were on Doug Fisher's Sunday afternoon show about two months ago and he asked us what things we would change. If there is one thing I could change around here I would eliminate the televising of Question Period. I think that Question Period gives the people of Canada the wrong impression about the kind of work that goes on in this Parliament of Canada.

Granted, today's debate is not an exciting one for the people of Canada. It is a process debate more than anything. When we are using the full Chamber I would much rather be talking about something related to the economy and getting people back to work. However every now and again we have a process debate about changing the structure of this place, so we ask Canadians to bear with us today. Obviously when there is such deep economic pain going on out there it is tough for people to understand why we are spending this much time on this bill.

If we are going to really reform this House of Commons we cannot just televise some of those committee meetings because once again we are going to have a two-tier system. It is sort of like the star system. My colleague from York South—Weston and I talk about this all the time. People organize events for the stars. The bottom line in this Chamber is that we are all equal. It does not matter whether you are on the finance committee, culture and communications, or environment, all that work is just as important as the next committee. To have a situation in which we are only going to have one committee being televised does not make sense to me.

The argument I heard earlier was that we only have one room around here to take television and we are going to have to make renovations. My goodness, each of us has a caucus room that is large enough for television. There is the railway committee room. There are more rooms around here that could hold television. This idea of not having the rooms is not accurate.

If we do advance with this motion—and I understand most parties are onside with it—I would ask for an amendment that we do not set up the two-tier or the three-tier system and that we cover all the committees. As I mentioned earlier today, tourism is the biggest job creator in this country. We had a committee meeting yesterday and we could barely get a quorum. We had eight tourism experts there from all over the country. This is another thing that Canadians do not realize. These committee meetings are not just MPs talking to each other and debating aspects of bills. Some of the best and brightest minds, not only in our country but in the world, come and give testimony at these committee meetings.

I do not know how the House would differentiate. Are we going to have the finance committee televised but decide that the environment is not important? Would you want to be the member of Parliament who voted against televising what we discuss in the environment committee? I would not. Would you want to be the member of Parliament who voted against televising something that happened in culture and communications?

We have the rooms. We have the talent here. There are a few TV cameras and we already have the sound systems set up. If we are going to do this, let us do it correctly. Somebody will say that we do not have the time on the parliamentary channel. Most Canadians would never accept that. We can easily get another channel, that is an easy thing to do.

However, there is another factor. Look at all the repeat time on the parliamentary channel. Half the time it is music and the agenda for the following week. On the weekend there are 48 hours of nice background music on a continuous loop.

There are a number of us in this House who have requested the use of the parliamentary channel during the repeat portion of the day for the week of the 5th to 12th to televise the young hockey tournament at Maple Leaf Gardens in Toronto. We did get the consent of all members of the House, and we hope the CRTC will accommodate us. If Canadians could see something more productive happen on that parliamentary channel, rather than just watching the credits roll or the agenda of the following week, plus the nice music, I do not think Canadians would object to that. In fact, I think they would probably appreciate us using our brains and not being so apathetic about leaving that rotation of music and menu going.

• (1430)

I am all for this but I am not for the half measure. People today are really a lot smarter than we sometimes give them credit for. By putting those committees on television, not only are we going to show up on time, we are going to have our questions prepared and the committees are going to become more important than Question Period.

Right now Question Period is what drives the national journalists of this country. Now there will be real, honest thinking going on by the press gallery of this country. Right now, as most people know, the press gallery comes in and basically tries to get that 10-second clip, that 20-second clip from that little sparring match that goes

on in Question Period which has absolutely nothing to do with the reality and the substance and the depth of the debate that goes on in all these various committees.

By putting television in all these committees, there probably will be a lot more work for the journalists. Then the people of Canada will be able to judge for themselves whether or not the journalistic interpretation is accurate. Right now it is all blind faith with the national media. Quite frankly, from where I sit, what I see in this House and what I see in committee very rarely represents what I read in the newspapers or the clip I will see on national television. So often they are taking things out of context.

It is going to make for a much better debate and be much more challenging. It is going to make our work a lot rougher and tougher because our preparation is going to have to be a lot better.

I do not support the half measure of this motion. I support the idea of opening up all these committees and televising them. I really think if it is going to set up a system where it is only select committees that are being televised, then I think it is going to hurt the cause more than help it.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I want to thank the hon. member for Broadview—Greenwood for making his submission. He has probably saved the House some time because I will not have to repeat all the things that he said. I find myself often agreeing with what he is saying.

It seems to me at times that we in this House live in the dark ages. It is time we started to conduct our business in a more open fashion.

Later today we will be considering another report of the committee that will allow television cameras to pan what is happening in the House. For example, if that report were to carry, we would be able to see representatives of the Liberal Party and the Conservative Party negotiating some type of deal here in terms of whether or not this report—

The Acting Speaker (Mr. Paproski): There is such a thing as relevancy. If the hon. member wants to ask a question of the hon. member for Broadview—Greenwood, I will allow it. Otherwise, I will go to debate. The hon. member for York South—Weston.

Mr. Nunziata: Mr. Speaker, let me put this question to the hon. member for Broadview—Greenwood. In terms of opening up Parliament so that the public can know what is going on here, would the member not agree that we should leave it up to the parliamentary press gallery to determine what to broadcast from the happenings on the Hill, that all proceedings should be open both to radio and television, and we should let the profitable media outlets in this country determine which committees they want to cover?

It seems to me that they would, if allowed, pool their resources and have television cameras in each of the committee rooms. Then they would decide which proceedings they want to use in their nightly newscasts. As well, the parliamentary channel can use the single feed that goes into each of the committee rooms. Someone would have to make the decision on what feed to use whenever the House is not sitting and all the dead time is on the parliamentary channel to make sure that that information goes to the parliamentary channel. So would the member agree that that is what should happen?

Mr. Mills: Mr. Speaker, I must say to my colleague, the member for York South—Weston, that I agree with him totally. That is a brilliant idea. I never thought of that. In other words, what he is saying is that we would not have to purchase the cameras and we would just let Global, CBC, CTV, MTV, whichever it is, set up its own camera system and just exchange, the same way it is done when sharing the Olympics.

My goodness, that is a brilliant idea and, quite frankly, there is absolutely no cost to the taxpayer. Why would we not do something like that? The physical space is here. If all of sudden we wanted to televise something in the railway committee room we could do it. I know that the cameras come into our caucus rooms from time to time so the physical plant is there and it is ready to go. I think the member for York South—Weston is right on. In that way we are actually not interfering in any way with free enterprise. They can cut their own deal among themselves. All we are saying is that they are free to cover the hearings, which they are able to do as print journalists anyway.

Mr. John Nunziata (York South—Weston): You seem surprised, Mr. Speaker, that there might be some members of Parliament who might be interested in debating this matter.

The Acting Speaker (Mr. Paproski): No, I am not surprised, except the hon. member has been on questions and comments all the time and I figured he wanted another question or comment.

Mr. Nunziata: As you may know, Mr. Speaker, we are paid a handsome salary around here and I am simply earning my keep today by participating in the debate on this particular recommendation.

I am sure my constituents are not really familiar with the House management committee. What we are debating is report No. 23 of the House management committee. What is the House management committee, one might ask?

The House management committee—and it is becoming more open as time progresses—consists of certain members of Parliament from each of the political parties. It is the committee that, up until recently, was very secretive. The members of that committee decide how to run this place. They decide on such matters as the parliamentary restaurant, shoe shine facilities, framing, all the expenditures associated with the operation of the House of Commons.

An hon. member: Haircuts too.

Mr. Nunziata: Haircuts as well. As you know, Mr. Speaker, you and I do not often use the parliamentary barber. It is really not a necessity for us. But yes, the committee decides the price of haircuts, shaves and everything else in the rooms downstairs.

This committee is generally made up of senior members of each of the caucuses. For example, the member for Saint-Denis is a member of that committee. He is the dean of the House of Commons. The member for Kingston and the Islands is a member of the committee, the member for Glengarry—Prescott—Russell, and the assistant parliamentary whoever he is on the other side of the House. These are part of the A team in the House of Commons. The member for Broadview—Greenwood referred to them as the élite. They are a group of people who have some authority around here.

• (1440)

There are others in this House—the member for Broadview—Greenwood and myself—who are not part of that inner circle of individuals. Yes, we are part of the B team, and the member from Chambly is also part of the B team on the New Democratic Party side.

Now and again we have the opportunity to consider some of the decisions made by the House management committee. One of the decisions made by that committee is presented in report No. 23 entitled: *Broadcasting of Committee Meetings*.

As the day has progressed, we have been dealing only with report No. 23, but we also have a series of other reports, report No. 22, report No. 24 and report No. 27. The members' representatives from the House management committee have been meeting behind the curtain, at times on this side of the House and a few moments ago on the other side of the House. They are trying to work out some type of deal to ensure that some of these reports are carried and others are not. So there is some negotiating going on behind the scenes and of course the people who are watching are not aware of the negotiations that are going on.

They ought to know how Parliament operates because when negotiating goes on behind the scenes, it breeds—if I can say it, Mr. Speaker—contempt or suspicion about what is going on. In this House management committee the élite from each of the three major political parties—

The Acting Speaker (Mr. Paproski): On a point of order, the hon. parliamentary secretary to the government House leader.

Mr. Cooper: Mr. Speaker, I appreciate the remarks of the hon. member and I thought he might appreciate if I brought those negotiations on to the floor where people can see. We have offered on this side to give concurrence to all of these reports that are, in fact, an all-party unanimous agreement from that particular committee. Will he get together with his members and support it?

Mr. Boudria: That is not a point of order, Mr. Speaker. For the parliamentary secretary to the government House leader to be negotiating in public is not a point of order. After all, I could describe the position of his own House leader on some of these motions, and so on but I will not.

The Acting Speaker (Mr. Paproski): I think that we should just carry on with debate. The hon. member for York South—Weston has the floor.

Mr. Nunziata: Perhaps the members on the House management committee can go have a cup of coffee and continue their negotiations.

An hon. member: We'll miss your speech.

Mr. Nunziata: You can listen to my speech on the TV behind the curtains.

But let us get serious for a moment. The whole purpose behind report No. 23 is to open up parliamentary committees in order to give the public greater access to committees. The way to do it, in my respectful submission, is to go all the way, open up committee proceedings both to radio and to television.

Right now any member of the public can come to Parliament Hill and take part in any of the committee meetings that take place. They can attend committee hearings, the committee hearings are open.

Unfortunately, the overwhelming majority of Canadians do not have access to Parliament Hill because they do not happen to live in the Ottawa area and they have to rely on television and the news media in order to obtain information about what goes on in Parliament.

If the goal is to open up Parliament, to show Canadians exactly what happens on Parliament Hill, we ought to give access to all committees. But the House management committee is saying that it is going to give access to those who can hear, we are going to give radio or audio access to all the committees, which is a good move, an excellent move and everyone can hear what is going on. But, for some reason, the House management committee does not want to allow Canadians to see what is going on at committees.

As I stand here, there is a rule of the House of Commons that says that the person who is operating that camera can only shoot me from the waist up. It is a very tight shot. You cannot see very much this way or very much that way. The public does not know what is going on in this House of Commons. The public does not know how many people are sitting here in the House of Commons. These are very restrictive rules in terms of what can happen and what type of image can be seen on television.

The person operating the camera cannot take a wide-angled shot of the House to see what is going on in the House because the House management committee has decided that is not appropriate. It only wants the public to see a certain amount of what goes on in the House of Commons. You have to ask yourself why. I suppose there are arguments on both sides. One thing I do not agree with is restricting people from seeing what goes on at committees. I do not understand why the House management committee is refusing to allow the media access to committees, allowing cameras. For example, they may make the argument that it might be chaotic, that if each of the television stations wants access to the committee rooms, you might have 10 to 15 cameras. That is nonsense because at the end of Question Period every day, out in the lobby of the House of Commons, there are two stationary cameras.

All the news media pool their resources. There is a stationary microphone, one camera, one on the opposition side, another on the government side. Individuals can be interviewed in front of those cameras and in front of those microphones. The video is available to all the television stations because there is a single feed. The member for Broadview—Greenwood referred to the Olympics where you do not have 50 million television cameras taking a video of each of the events. There is a pooling of resources and any television station that wants to use the images can use them.

The point I am making is let us leave it up to the members of the parliamentary press gallery so they can pool their resources. They are profit-making organizations. They would love nothing better than to be able to televise committees. Leave it up to them. In each of the committee rooms they would establish stationary cameras, two or three in each committee room, with a microphone. They could feed off the audio. In that way, any television station would have the opportunity to use the video from each of the committee hearings in order to facilitate the dissemination of what goes on here on Parliament Hill.

As the member for Broadview—Greenwood indicated in his submissions a few moments ago, members of the public have a distorted sense of what goes on here on Parliament Hill. The only thing they see when they are flipping through their channels is a single member of Parliament standing up. Sometimes if it is an important speech, the seats behind the member of Parliament will be occupied to give the impression that the House is full, when in effect the House is not full.

They see Question Period on the nightly news. They see people in a very partisan way. They see members of the opposition asking questions of the government, both sides being very partisan. What is absent from the information that goes out to the public is what goes on at committees, all the fine work that is being done on a daily basis at committee.

As the member for Glengarry—Prescott—Russell and others have indicated, it is not only members of Parliament who participate at committees. We have very distinguished Canadians who appear before various committees. The member for Glengarry—Prescott—Russell pointed out that the Chief Electoral Officer, just to give an example, was present at the special joint committee of the Senate and the House of Commons looking into the conflict of interest piece of legislation. The member for Glengarry—Prescott—Russell and I are members of that committee. Over the course of the last months, we have met every Tuesday and Thursday morning for two or three hours hearing witnesses. We have had a lot of excellent witnesses before committee. The news media has not had access to that committee. If the proceedings of that committee were televised and that information shared with Canadians, Canadians could listen to officers of Parliament and other Canadians who come to committee to give evidence.

• (1450)

I urge the House management committee to reconsider its position on report No. 23. Rather than restricting it to a single room, whether it be the railway committee room or the reading room, it ought to open up the entire committee process to the parliamentary press gallery. It ought to let it bear the cost and it will bear the cost because that is part of its responsibility. Its mandate is to disseminate information from Parliament Hill.

If you allow committees to be open, they will fill the void. They will be there. Taxpayers will be spared considerable expense because it will be the national news media that will pay the cost of installing the pool cameras in each of the committee rooms.

Then, the House of Commons can use that feed, the video, to fill in the gaps on the parliamentary channel which is on every television set in the country that has cable TV. You know as well as I do, Mr. Speaker, that when you return to your riding in Edmonton you may be watching TV on a weekend and you may be flicking through the channels. When you hit the parliamentary channel, you get this soft music and these words that continually appear on the channel.

Would you not rather see the member for Glengarry—Prescott—Russell questioning some important witness at an important committee than dead time? When you do not see anything on the parliamentary channel, Canadians are not benefiting. They are not being educated as to what goes on here on Parliament Hill.

The House could use the feed from committee to fill in that parliamentary channel continuously, 24 hours a day. People may not want to watch, they do not have to watch, but at least the opportunity would be there on a 24-hour basis for the information and activity that goes on in committee to be disseminated to Canadians.

Those are my submissions. I hope that the distinguished members of the House management committee, the chosen ones, the fortunate ones, those on the A team, the élite of the House of Commons, will reconsider the report, go back to the bargaining table and open up Parliament to the public.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, some of us are accused of being the chosen ones. So be it. Someone has to do the job. We were assigned to do a job.

I want to thank the hon. parliamentary secretary for chairing the members and management committee. I want to pay homage to the hon. member for York—Simcoe who has been very patient, especially with this 23rd report.

I would like to have answered in detail the comments of my esteemed colleague from Toronto, but call on him to realize that the progress toward what he has mentioned with passion, and with knowledge most likely is an immense step. It is a good step in the right direction, this 23rd report.

I am committed publicly. I wish to pass this report today, this one and a couple of others if we can get enough agreement. I was under that impression and I would like to say it openly. We worked very long on this report that the House of Commons and our colleagues gave us the mandate for on April 1, 1991.

My colleague must realize that we spent a lot of money on this report. I have no anger toward his comments. I listened to his comments. We have had witnesses who came to the committee and made the points that my hon. colleague just did. Therefore, we offer the best now. I ask him to let this bill go. Why? Because he will be surprised at the immense difficulty that we will encounter just to start having a full room.

Yesterday we were talking about the budget of the House of Commons. You cannot have it both ways, spending on one side, saying we want everything to be done, and then at the same time being accused across the country of spending too much money.

It is the best report. My colleague would like that report because you cannot ask every committee first. The cost would be astronomical, as we say in the report. We are on our way to what the hon. member has said in his rather strong criticism of the report.

I wish he would believe me when I say this is honest work by a committee that went to Toronto and to Quebec City to see how it was done there. The immediate instantaneous radio that you will get in your office may not have been well expressed or well explained, but all press will know instantaneously what is going on in every committee. This is an immense step forward. Once the doors are opened to that step, all the other steps will follow. I know that.

If we delay, and we have been delaying too long, the television debate, we will not know how it works, but as soon as you get something there is no backing off. That is why I played a very conservative role on the committee. I wanted to make sure that what we do is right. Once we agree to do something because we are convinced it is right, I get up and defend what is right.

Therefore, the immediate total audio in every office in Parliament, every office of ministers, members, staff, and of the press, is an immense step forward at very little cost. We have to explain to Canadians that we are not going to go on a rampage of expenses.

Therefore, step number one is radio. My colleague from York—Simcoe worked very hard on that. He put the paper together, arranged for witnesses, and it is a success. I share in his success because I was part of it. I am proud to say yes, it is a great step.

We will have a committee room all set. The member would like to have had this room because the Al-Mashat affair would have been televised. You know that. It is a step forward for the most exciting committees that will be televised. Once we have one we will see what it costs. I call on his financial judgment. Let us see what it costs and how much more it will cost in the future.

We may disagree on the second, third, fourth and fifth reports, but we have to show progress. Your colleagues have worked for a year, hours on end. There has been discussion and witnesses. We must listen to everything that has been said because it was our mandate. We did it.

[*Translation*]

We did an honest job, some very good work, and we can tell the House that the time has come for that bill to be passed. I would respectfully suggest, Mr. Speaker, that you ask the House's consent to pass that bill.

[*English*]

Motion agreed to.

Mr. Cooper: Point of order, Mr. Speaker. We have a couple of minutes left.

I am wondering if members would be prepared to give consent to the 24th report which deals with Private Members' Business, the 27th report which deals also with Private Members' Business, the number of items increased, and the 28th report which would allow for legislative committees.

Otherwise I think it is really embarrassing to see what is happening in the House in terms of the management committee's work that has been done on this.

Mr. Milliken: Mr. Speaker, I think we have made very good progress today. We have had a lively debate on this report and I suggest we call it three o'clock.

• (1500)

Mr. Prud'homme: Mr. Speaker, on a point of order, may I say I have tried since this morning. Shame on you, the hon. member. Who is it addressed to? Shame on us. It is not a point of order. It is certainly a question of privilege. Some members want to have everything the same day and others want nothing. To me, it is the most important step that has come forward.

I know the ability of the parliamentary secretary. He can put it back again with a little more negotiation. I know he has commitment. We are not here under any minister's rules.

If the member would have said what he has just said, I would have found it extremely difficult to resist the temptation of taking my full 20 minutes. He noticed that I did not take my 20 minutes.

Now that he has one bill, at least the most important one, he is trying to cast all kinds of shadows on my colleagues. I defend my colleagues. I say to him, Mr. Speaker, that if he would have said what he just said to us earlier, he would not have had any progress today. He should learn to be patient and with patience he would get everything he wants.

The Acting Speaker (Mr. Paproski): It being three o'clock 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*]

TRANSPORTATION INDUSTRY

ALLEGED GOVERNMENT ABANDONMENT

Mr. Sergio Marchi (York West) moved:

That this House condemns the government for abandoning Canada's transportation industry.

He said: Mr. Speaker, I am pleased to follow a very vibrant and dynamic debate led by members on this side of the House with respect to the total abdication of this government *vis-à-vis* transportation policy.

I had the occasion while I was my party's transport critic to put this motion before the House of Commons. Certainly the fact that the motion is on for debate today is very timely with respect to a number of decisions and events that have happened in the last number of weeks, and in fact the last number of days when we take a look at the very important inquiry into the crash of that Dryden Air Ontario flight.

I say abdication because the government has a great vacuum with respect to any policy program as it concerns the transportation industry. We have seen in recent times this government basically gut VIA Rail.

Ever since trucking was deregulated on January 1, 1988, we have seen Canadian truckers literally off the road with respect to trying to conduct a viable business and continue in the industry facing American competition. Some 1,400 Canadian trucking companies have gone bankrupt.

Yet on shipping, where we can compete the best, the Americans continue to have their Jones Act which protects the U.S. shipping industry.

When the government was talking about harmonizing transportation policies in the secret document that was released by the *Toronto Star* regarding the North American free trade talks with Mexico and the United States, it talked about harmonizing rail, it talked about harmonizing road transport as well as bus companies. But nowhere did it talk about taking down the barriers of shipping *vis-à-vis* the Americans where in fact we can compete quite nicely.

This government seems to be promoting all the wrong different types of interests as far as Canadian aspirations are concerned.

I would like to dedicate the better part of the few minutes I have to the whole question of air policy. It seems in terms of the timing of a number of events without being disrespectful to the other transport industries, certainly the air side has been increasingly in the public eye.

What do we have on the air side? We have a government that ideologically has been married for some years to this whole policy and regime of deregulation. It started talking about it in 1985. As a result, airlines began to prepare for a policy of deregulation that came in during the 1988-89 period.

This government looks to deregulation as the Messiah for all the ills of the airline industry. Yet, promise after promise after expectation after expectation with respect to purporting a number of commitments, we have seen those commitments melt like snowballs in the month of July.

One of the things this government talked about before introducing deregulation was the question that it would increase competition across the country with respect to some of the smaller more regional airlines.

What do we have as we debate this particular motion on this Friday afternoon? Essentially, we now have a duopoly when there were a number of regional air carriers that were starting to be viable, such as City Express. In the city of Toronto we have seen a virtual disappearance of many of those smaller regional air carriers gobbled up by Air Canada and Canadian.

Under a policy of deregulation that was sold to this Parliament and to Canadians as one way of increasing competition and making the industry more dynamic and offering a better price to the travelling public, it has gone in the opposite direction. Not only do we have a duopoly that has dictated in the last little while, but we are also now entering into a situation where even the duopoly is in very serious waters, if I may use a wrong word to describe the air side of things. It is a situation where there is increased speculation that perhaps there may be a merger, or if they are to survive we will have to have infusion of foreign capital to make both Air Canada and Canadian viable. If we measure the deregulation policy by competition, it is a large failure.

The government also promised with respect to the competition aspect, to increase jobs for Canadians in this very key and important sector of Canada's economy. Yet in the last two years alone there have been almost 5,000 job losses and layoffs in the air industry.

If we talk about amalgamation of Canadian and Air Canada, whichever way it is cut, we are looking at between 10,000 and 15,000 unavoidable job losses.

Air travel is on the increase and airplanes and airports are here to stay. The government also sold this policy of deregulation by promising cheaper air fares to the travelling public. Yet with the exception of advanced bookings, the cost of airline tickets has increased beyond the rate of inflation in the last number of years.

I fail to see where deregulation, as promised by this government on very specific planks has, in fact, paid the kind of dividends this government was committed to and Canadians were expecting.

Then we talk about open skies, that is to say a free trade regime in the air. The two countries, Canada and the United States, are currently engaged in negotiations on a bilateral trade agreement that have not been revisited for some time. I believe they ought to be.

I am not saying that agreements are made once and never looked at, never modified or never updated. Obviously, there are great advantages for Canadian communities and airports to also revisit that with a view to trying to have more direct links between some Canadian cities and American centres and hubs without going through major hurdles in different airports, both in our country and in the United States. Obviously that will impact in terms of who comes to your cities, what conventions can be organized and the attractiveness of one's accessibility in one's market. I am not saying we should put our heads in the sand and pretend we should not update or modernize that bilateral air agreement.

• (1510)

What causes great consternation to myself, my party and to a great number of Canadians is this government's inability to indicate that the bottom line for these negotiations is to say no categorically and clearly to that word cabotage.

Cabotage is essentially a fancy way of saying that American air carriers would be allowed to come freely into Canadian cities and airports and touch base along the Canadian route as they see fit.

Right now it is regulated. For example, American carriers do not have the free ability to bring passengers to Toronto, pick them up, drop them off in Montreal, pick up additional passengers in Montreal and go back to the United States. It is a strictly regulated regime.

One of the reasons it has been regulated has been in part to protect the viability of our Canadian airline industry. The economies of scale being what they are and looking at the giant American carriers, if we were to simply have unfettered access between our two countries, it would only be a matter of time before we would not have a Canadian industry as we know it.

Canadians do care about our air industry. I believe that yes, they are worried and interested and concerned about air fare costs and the whole question of safety and the matter of convenience. But they are also concerned about having a Canadian air carrier. Canadians do place some degree of difference on whether the emblem on that airplane tail is a Canadian flag or an American flag.

I happen to believe that Canadians still care enough to have Canadian air carriers transporting them from one place to another. I also believe that Canadians feel the service we have been getting on Canadian carriers is certainly no less than that offered on American carriers, if not better.

What we have attempted to do, both in the Liberal caucus and in the Standing Committee on Transport where I had the honour to serve and now I have been replaced, certainly quite ably, by my colleague from Ottawa South—

Mr. Angus: Nobody can replace you.

Mr. Marchi: Big shoes to replace, I agree, but nonetheless the member for Ottawa South has very big and able feet.

Mr. Manley: Give me a break.

Mr. Marchi: The fact of the matter is at the transport committee there was a unanimous report. Government members, Liberal members and New Democratic members signed a report that clearly called on the minister and the government in negotiations with the Americans not to give in to cabotage.

Thus far whether it is because of a negotiating tactic or whether it is because of ideology, that promise has not been given privately or publicly. We have talked about it in the House of Commons in debates and in Question Period. But the government categorically has still not given an assurance to Canadians that cabotage will neither be on nor under the table.

It comes at an interesting time as well, because if we are talking about negotiations with the Americans in respect to our bilateral air agreement, we also cannot divorce that from the feelings that Canadians bring to the table with respect to the last deal Canadians negotiated with their American friends namely, the free trade agreement.

We now live with a free trade agreement that has caused a great deal of unease, a great deal of frustration and a great deal of justified legitimate fear among Canadians who have experienced more rather than less aggravation as a result of that agreement. We also live in a time that the government of the day is contemplating a North American free trade alignment. Therefore, we cannot divorce these agreements and what they have brought with respect to our economic livelihood from the feelings that Canadians have about the negotiations on a very important part of our economy as we know it.

So I think caution is a key word for the government of the day. It would reassure Canadians if this government was prepared to admit that it was not going to sign on the dotted line if any form of cabotage was going to be part of that agreement. At the very least, Canadians deserve to know what the bottom line is before going into any negotiations.

Another point that is viewed with some degree of consternation by the air industry is the flagship airport of the country which is in my city: Pearson airport. On the local front, we in York West and the communities surrounding the airport have had to put up with a great degree of abuse. I also see the member of Parliament for Bramalea—Gore—Malton who has made repeated representations to his government and to the Minister of Transport on issue of noise control.

The southern part of York West, virtually half the riding, is very much in the path both for take-offs and landings. We have asked the government repeatedly for a system. While it is not going to solve the problem entirely, as I said previously, it would help alleviate it. These communities are not being irresponsible to the point where they wish to close the airport down. They do not live in a fantasy world that thinks that aeroplanes are going to be taken over by the horse and buggy again. What this community in the south end of my riding is asking is that there be an alternative to the current system.

One of those alternatives would be to have a better balance of alternative runway use. There seems to be a predominant use of one particular runway that is closer to the terminal, that is preferred by the airlines and by the air traffic controllers because it saves time, fuel, money and is very convenient for the passengers. Because of that one runway, the landings and the take-offs are all over one particular community and that is grossly unfair and unjustified.

This community has been asking the last number of years for a fairer balance of distribution, that is to say to share the pain, to share the noise pollution, to share the noise that one has to live with. It is no laughing matter. In certain parts of my riding during the summer when people like to enjoy their backyards or invite the neighbours over for a barbeque it is literally impossible to do over a peak period because of the aeroplanes coming and going. Window panes rattle. People are awakened in the middle of the night. There are no curfews to speak of. This is all in the name of emergency landings. Not for one moment do I want to suggest, and I do not believe any other member of Parliament wants to suggest, that emergency cases should not be allowed to land, but when it is always the rule rather than the exception then I

think we are stretching the whole definition of emergency.

So there are large problems with respect to the local area. There is also the problem that when people complain their complaints go nowhere.

We have been advocating on this side of the House, as has the community, that a noise ombudsman of some sort be appointed. It would at least give the people in the riding or the communities surrounding Pearson the pleasure and the satisfaction that their message is getting through rather than talking to some tape machine which causes incredible amounts of frustration.

As well, I have asked the government and the minister to look at a special program, an insulation program that has been advocated by the Denver community surrounding the Denver airport that has worked very well. They have modern, up-to-date noise insulation which takes into account the type of noise pollution in communities surrounding airports. I am hopeful that the minister in due course will respond in a way that brings some degree of relief and satisfaction.

• (1520)

I was going to talk about the whole question of the investigation and the report on the Dryden crash, but I will leave that to my colleague, the transport critic. He will be touching on a number of variables therein.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am pleased to rise today to join my colleague in support of his motion, the motion condemning the government for abandoning Canada's transportation industry.

At the outset I want to suggest that we are really talking generically in terms of government, because the situation we find ourselves in today, quite frankly, was started before the current government took power. The Winnipeg member, still in this House, back in 1983-84, I believe it was, indicated that Air Canada, then a Crown corporation, and CN, still a Crown corporation, should act as if they were in the private sector and that certainly set the scene for an approach to transportation.

Leading up to the 1984 election, the member from Winnipeg also started the process of deregulation. In fact, in Justice Moshansky's report tabled yesterday, one of the first warnings that came forward in Transport Canada from the front line troops, as the Justice referred to them, was in the spring of 1984, well before this government was successful at the polls later that year. Those front line troops warned that we did not have the resources to deal properly with deregulation, in whatever form.

The last two days we have been seized in this House, and I suspect across the country, with Justice Moshansky's report. Those of us who have been involved in the deregulation fight since 1984, and in the case of my colleague from Regina—Lumsden well before that, see a lot in the report that we warned people about.

When you take away the economic stability that our carriers had—and when I say economic stability I mean that there was some certainty in the routes that they would serve, there was some certainty in the kind of revenue that they would get, and at the same time the consumer had some certainty that the airline could not arbitrarily raise the fees or the ticket prices.

Also the communities that were served knew that there was protection for them as well, that a carrier could not on its own decide what kind of equipment to use to service that community and what kind of frequency to provide flights to that community. In both cases, the consumer and the community through a public process could attempt to block any changes. Obviously the CTC at the time had the responsibility to adjudicate that.

By taking it out of the realm of stability, we did a number of things as a society. We created the climate for cut-throat competition, where the bottom line became the driving force behind the decision-making of the airlines, and the rail and the road.

As we said during the debates on the white paper *Freedom to Move* and during the debate on the National Transportation Act and the companion pieces of legislation, it was the banker who made those safety decisions. It was not the regulator, it was not the government, it was not necessarily the carrier, it was the banker. The banker would be the one who would really decide whether a new company could be formed, that as long as you were fit, willing and able you would get a licence.

You did not have to prove public convenience or necessity which was the old rule, as long as you could convince your banker. In theory if you could prove your worthiness, then you could operate a scheduled airline.

Justice Moshansky has told us that really was not the case. In terms of Air Ontario, a merger had just taken place. In effect two airlines became one and they brought in new equipment, in particular the Fokker. They did not have sufficient staff to maintain it and to operate it. They did not have sufficient spare parts.

For awhile they were being trained on simulators by U.S. Air and one other carrier, Pegasus. It was another American carrier. That contract was cancelled. So they were training them in the cockpits of the planes on the ground at night in Winnipeg.

Justice Moshansky points out how inadequate that kind of training was. He points out—these are my words and not his—that we had a company that was not in control of its own operations.

At the same time, we had a regulator that did not have enough resources to do the job. Some of us say it still does not have the resources needed. In fact, I have two press releases that came from the organization that represents the inspectors, the Aircraft Operations Group Association.

The release of today reads as follows:

> Civil Aviation Inspectors disappointed with Transport Minister's response to Moshansky Report on Air Ontario tragedy.
>
> "Instead of trying to deflect the blame, Transport Minister Jean Corbeil should take the Moshansky report seriously," says Wayne Foy, national chairman of the Aircraft Operations Group Association. "But we welcome the opportunity to work with the Department to implement recommendations of the report that will ensure the safety of civil aviation in Canada."
>
> "Justice Moshansky's report is the first unbiased examination of the effects of deregulation and the cutbacks made in Transport Canada aviation over the past 10 years. He is right on target with respect to the lack of support, training and resources required by aviation inspectors," Foy says.
>
> "Civil aviation inspectors are dedicated professionals, many of whom are essential to aviation safety. We are frustrated by Transport Canada's failure to provide sufficient staff, to train inspectors and to support our work," Foy says.
>
> "One of the worst problems our inspectors face is that management doesn't listen. They only hear what they want to hear," Foy says. "If the Minister's comments yesterday are indicative of his basic outlook, we could be in for more of the same."

This organization represents some 500 civil aviation inspectors working for both Transport Canada and the Transportation Safety Board.

These are the people on the ground. These are the front line troops. They know what is happening out there, and they tried to tell their masters that they did not have the resources, that there were not enough of them and that Canada was not able to properly police deregulation.

At the same time in this House and in committee, my colleague, the member for Regina—Lumsden and myself, along with a countless array of witnesses not just from the union side gave testimony. I can remember a witness in Vancouver, an expert brought up from the United States who was very, very familiar with the deregulation experience in the United States, given that happened 10 years before we started ours. Everything he warned us about has happened.

I regret to say that. I do not like coming into this House and saying: "I told you so," because I would rather that things worked well and that the goals that we were aiming for which were lower prices and better service happened. Maybe in a few cases there have been some better services. In some cases there have been lower prices, but overall, I think you will find that there is less service, the cost is greater and it is the Canadian public who is paying for it.

I know I do not have all that much time, but in the few minutes I have left, I want to touch briefly on the future of the Canadian airline industry. We all know that Air Canada, now a wholly-owned private sector company, and Canadian Airlines, which is owned by TWA, are in financial difficulty. One does not have to be an accountant or an economist to understand that. They both are losing money daily.

• (1530)

Canadian Airlines has decided that part of its solution is to link up with American Airlines, not just in terms of an operating agreement, nor just in terms of a reservation agreement, but in terms of an equity position. Air Canada has been working toward an operating agreement with U.S. Air.

In a speech before the Canadian Club of Winnipeg on March 11 of this year the executive vice-president and chief operating officer of Air Canada said as follows:

> The bottom line consequence of American Airlines acquiring a significant influence over Canadian Airlines International, would be the inevitable end of the Canadian airline industry as we know it.
>
> For our part, we would have little choice but to succumb to a parallel strategy.

In other words, Air Canada is warning us that if American Airlines buys a chunk of Canadian Airlines it will have no choice but to allow U.S. Air or a similar American company to buy a chunk of Air Canada. Once that happens we might as well kiss a national airline goodbye.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I think this is a timely and important debate, and I am pleased to take part in it.

I know members opposite have great concern about the report that came down yesterday. The commission of inquiry released a report yesterday into the tragedy at Dryden. It is one we are all concerned about.

I would like to step through some of the government's response to and position in that regard. First of all, it was an inquiry into a human tragedy. I do not think any of us dismissed that. It was very much a human tragedy.

I want to stress on behalf of the minister that Canada's aviation system is safe. Since 1981—and I think it is important that Canadian people know this—there has been a 35 per cent decrease in accidents. That is significant, because we have to assure Canadian people that the Canadian aviation industry is safe. That statistic in itself indicates that we do have a very high degree of safety in the industry.

Another point I think worth stressing is that the government did not wait for the commission to be created by somebody else. The government created it. It initiated that response. The inquiry is very much independent and is a very critical approach to air safety and the aviation industry.

The first set of recommendations go back to 1989. Knowing that, I think most of us would agree that the department has been responsive and has been responsible to the industry.

Let us go through what has been suggested in the findings. We will go through some of them point by point. It is referring to new audit procedures and is telling us that the department is now inspecting air carriers more often. It started auditing almost immediately after a merger of the start-up and Transport Canada inspectors are assigned to that operation right now. It has also stiffened regulations in many areas.

Again, it did not take long. In November 1990 Transport implemented what it called the clean wing concept in the form of new regulations prohibiting take-offs when there is any contamination whatsoever adhering to the lifting surfaces of an aircraft. It is important to consider that because we know what happened at Dryden and what happened last week in New York at La Guardia. Because of icing problems there was another tragedy in the U.S. That is the type of thing the department is very concerned with and has taken steps as early as 1990 to eliminate. The department has been working with industry on a number of regulations for that new type of safety which I think we all demand.

One point brought out was on the question of inspectors. The question was whether we had enough inspectors at the time and whether we have enough now. I think those are very legitimate questions because the underlying importance is safety. There is a very strong link between the number of inspectors and the safety of our airlines as a whole.

It is important to note that since 1985-86 there has been an increase of 100 inspectors. The most important thing to remember in this whole exercise is that more will be added as we go on. Most of us would like to see more of them on the job now, but it is important to recognize that we need more, that we should have more and that there will be more. However, that number has increased since 1985-86.

Procedures have been streamlined for getting safety audits done systematically and quickly. Even in the internal procedures within the department there has been some very significant changes in recent years. In addition, a new aeronautics code is being developed and will give more authority to aviation inspectors.

The question that comes to mind is: what is enough? Is enough ever enough when it comes to safety in the air? I do not know how much we can do or how far we can go to ensure the highest degree of safety. The answer to the question is probably that enough is never enough. It is constant. We continually have to put resources into the safety of the aviation industry. I do not think Canadian taxpayers are going to object to that.

The purpose of the debate today is to reinforce that point. At some point the Government of Canada has to step up to the line and say: "Yes, you are absolutely right. Maybe what we have to do is dedicate more financial resources to the problem". The problem is air safety and ensuring that our standards are the absolute highest in the world.

I want to emphasize this afternoon more than anything that the Canadian aviation industry has a high degree of safety. I do not want these figures to be obscured by other figures. There has been a 35 per cent decrease in aviation disasters since 1985–86. I think that is significant. I do not want that figure to be distorted for Canadian people. It is very important. It does not mean we cannot achieve a higher number. I think that is possible. Because of the way the government has been responding and will respond to Justice Moshansky's report, I think we will see that number increase significantly in the next few years.

• (1540)

Most of us can be assured that it is safe when we buy tickets and our families get on aircraft. Ours is the safest in the world. Our records clearly indicate that and I do not want them distorted here today.

The government has responded and is continuing to respond. Some of it has been initiated across the aisle. There have been some very strong words from opposition members. At times they have put the minister in the hot seat. I guess that is the role of a minister and the minister has to respond. I have to say that this minister has responded.

All Canadians can be proud of the industry. We can be very proud about how the ministry has responded to the disaster in Dryden two years ago.

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, first I would like to thank my colleague, the member for York West, for moving this motion.

[*English*]

He was the former transport critic for our party. As his successor, might I say that despite my size 12s I am having difficulty filling his shoes. It is the first time I have ever had my foot size commented upon in the House of Commons.

Before I take a few moments to comment on the Dryden report which I want to do, I would like to respond very quickly to the comments of the member for Thunder Bay—Atikokan. On behalf of the New Democratic Party he tried to put the verdict of this report with respect to the combined policies of the Conservative government of deregulation and deficit reduction into the same category as the liberalization process that was introduced by the former Liberal Minister of Transport.

In trying to do so and talking about competition, we will notice that the NDP only uses the word competition in juxtaposition with the word cut-throat. To the NDP competition is always cut-throat. The NDP understands so little about doing business that, as my colleague for Kingston and the Islands pointed out earlier today, we are now referring to the premier of Ontario as Buffalo Bob because he has done more to renew the vital interest of the city of Buffalo, New York than has anyone else in many years. The fact that the NDP does not know the difference between liberalization of air transportation and the deregulation regime that was brought in in 1985 should not surprise any of us.

This leads me to say a few things about the Dryden inquiry and the report made available to us yesterday in the House of Commons by the Minister of Transport. I would like to pick up on some of the remarks of the member for Cumberland—Colchester. He stressed the safety of the Canadian aviation industry. With respect to the questions posed by our party, I think we have entirely endeavoured to deal with the government's response to the report and its performance with respect to these issues over the period of time studied by the commissioner.

I would like to point out that we began our questioning of the government minister on this report by drawing the attention of the House and the people of Canada to the fact that Mr. Justice Moshansky has said that many of the concerns which emerged during his inquiry and are reflected in his report have already started to be dealt with or had been dealt with. He has further said that it is safe to fly in Canada.

In raising these concerns I want to make it abundantly clear that we are not in any way suggesting it is unsafe at the present time to fly in Canada. That is not to say there are not a lot of things that can be done to improve the system and to ensure that further Drydens do not occur. That being said, I want to draw attention to the findings Mr. Justice Moshansky made, upon which he based his recommendations. These findings, if this were a court proceeding, would be the findings of fact from which he drew conclusions. They are very important in two ways.

First, he found with respect to the period of time in the mid-1980s when deregulation was coming into effect that, and I am reading from page 913 of his report: "Based on the information before this commission the Aviation Regulation Directorate was not adequately prepared to perform its functions in the latter 1980s. The warning flags raised early in the 1980s and repeatedly thereafter had seemingly negligible effect. The forecasts of safety assurance deficiencies were soundly based and progressively confirmed, yet there was no proper response by the senior management of Transport Canada in the form of urgent planning or action to meet the inevitable challenge".

Another finding: "It was known that significant increases in personnel would be required to meet demand, yet such increases were not authorized, let alone acquired". Finally: "Had the Transport Canada Aviation Regulation Directorate been in a position to discharge all of its responsibilities in an effective and timely manner some of the factors that contributed to the Dryden accident may not have arisen".

Even more devastatingly, in his press conference yesterday Mr. Justice Moshansky said that this disaster, which cost 24 lives, was allowed to happen. Allowed to happen by whom? In part, it was allowed to happen by the regulator, by Transport Canada, and by the Government of Canada.

Why the government? There has been a lot of discussion over the last couple of years about ministerial responsibility, about when ministers should be required to face the music for things that have happened in their departments. There has been an evolution in that doctrine in the time that this government has been in office. It has been repeatedly suggested that if something happens at a lower level then the minister should only take steps to take corrective action and should not be held responsible for it.

In this case, I suggest that the judge in the inquiry has found that the responsibility for the problems that contributed to the Dryden air disaster lies at the top level, at the cabinet level.

Let me read some further findings from Justice Moshansky's report. On page 939 he writes: "The need for increased resources within the Aviation Regulation Directorate to meet the growth and demands expected to be generated by the policy of economic regulatory reform"—that is deregulation—"was predicted and well documented in several reports and studies in the period prior to 1984 and following. The Deputy Minister's internal audit review group in June of 1987 issued a report that stated that the Aviation Regulation Directorate was at that time unable to provide senior Transport Canada management with sufficient assurance that the aviation industry was in compliance with existing safety legislation, regulations and standards".

A further finding is that: "The effect of economic regulatory reform, combined with deficit reduction, created a synergy that in my opinion, based on the evidence before this commission, had an adverse impact on the effective application of safety standards".

Finally, and I think this is the most devastating critique of all, he says that: "It is not my intent to criticize the right of a government to embark on a policy of economic deregulation of the air carrier industry. Nor would I suggest that it is improper to attempt to reduce the size of the national deficit. It is the combined effects of these policies, as they relate to the safety of the public, that causes concern. The policies are not faulted in any way but their application and over-all administration left much to be desired".

• (1550)

These are the measured and carefully phrased words of a justice of the Supreme Court of Alberta. This is not political rhetoric. When we take these out of that context and recognize what this judge is saying, he is saying that the two main major policies which were policies of the cabinet collided in mid-air, the policy of airline deregulation on the one hand and the policy of deficit reduction

on the other hand. The casualty in that mid-air collision was Canadian passenger safety, and 24 people died in Dryden as a result of that collision.

If this is not a case of gross incompetence and negligence on the part of cabinet ministers, then I do not know what is.

Hon. John Bosley (Don Valley West): Mr. Speaker, I listened with interest to the previous member's speech. I thought he started particularly well and in a particularly balanced way which we have come to expect over the years from him. I was surprised, therefore, when he concluded in a way I did not expect he would conclude.

Over my years here, I have seen an evolution of this argument that somehow ministers are responsible for every paper-clip, every flight switch, every wheel blow-out and every piece of everything that happens. If a tire blows on a national highway, the Minister of Transport or his brother is personally responsible, judging by the argument of the hon. member.

He started, I thought quite appropriately by quoting the context in which the Hon. Justice's comments were put by the Hon. Justice and then took them out of that context. The context, I repeat to the hon. member, in which the Justice put his own remarks is nobody belittles in any way the consequence of 24 people losing their lives and this was and is a real tragedy. The context in which he puts his own report, remarks and suggestions, I repeat to the hon. member, the vast majority of which are either already implemented or are being examined to see if they can be implemented as quickly as possible, is that we have one of the safest air systems in the world. We continue to do so and he recognizes the incidents of air accidents since 1981 or since the beginning of regulation has not increased significantly. You can argue whether you use the 1981 to 1991 statistics which show them declining or the 1984 to 1987 statistics which show them going up slightly or the 1988 to today's statistics from the Transport Commission which show them going down since 1988.

Within that context, was this a real tragedy? Yes, it was. It is beyond me and beyond this debate which I think is about a larger principle as well and I want to come back to that. That I think was the context of the hon. member's motion, to accuse the government not of having—as is his right if he chooses—made a mistake with regard to this report or this situation. His motion is about transportation policy in general, as I understand his motion to be, that the government has abrogated its responsibility. I will come back to that. But it is suggested somehow, as has become the Liberal Party's habit, that one should go beyond the tragedy that has happened and say it is the Minister of Transport's fault.

No, that is not what that report says. It does not say the Minister of Transport—generically the Minister of Transport—is responsible for those deaths as the member has implied. I regard that as regrettable the way in which argument has been put by members of the opposition for too many years. I do not always mean just Liberals. That is a decline in the sense of the use of this Chamber to get to better policy when we think we have to personalize everything around here. I hope the member did not mean it, but that is what he said.

I want to come back in the few minutes that are left to the motion of the member for York West. He has made quite a large allegation, that the government has somehow abandoned Canada's transportation industry. It is our view, as you would expect, and it is my view from having watched this, that the government has done a great deal to ensure not only a viable transportation system, but a safe transportation system. Safety has, as you would expect, been the top priority of the Department of Transport and it has taken a number of specific actions which reflect that commitment, not least of which is its ongoing response to the latest report.

In recent years, the government has undertaken the modernization of our air navigation system at an expense of hundreds of millions of dollars. We created the Canadian Transportation Safety Board whose job is to investigate accidents and provide recommendations to prevent future incidents in all modes, I am sure something the hon. member agrees with.

This government has passed the Railway Safety Act and amendments to the Transportation of Dangerous Goods Act. We have also taken steps to introduce legislation on substance abuse in safety sensitive positions in the transport sector. There is a longer list. That is a brief example of the many initiatives taken by this government to protect the safety of Canadians using the transportation system generally in this country.

Getting back to the general theme, the large charge that the member makes that this government has abandoned the industry, all Canadians recognize the importance of transportation to an economy like ours. It is the backbone of the way we have to make our living. Everything has to be moved huge distances in a place like Canada, with its large geography and small population.

Each day, 140,000 Canadians travel by one of the public intercity modes: air, bus or rail, and almost 2 million tonnes of freight are moved by rail, truck or water. Canadian producers and shippers operate in a global environment that is shaped by international competition. It is therefore essential for our economic well-being that we create and maintain an efficient, responsive, safe and productive transportation system and that the cost of transportation services are minimized for the users of that system.

Early in its mandate, this government did indeed recognize that a change in the economic regulatory framework in transportation was necessary if the transportation system was to be allowed to grow and to compete to meet the needs of shippers and the travelling public. Many of the regulations in place when we took office had become in fact obstacles to growth, innovation and competitiveness in Canadian transportation. Removing those obstacles while protecting and maintaining the safety for the public of Canada became a priority in our efforts to achieve economic renewal.

As part of this government's efforts to improve Canadian competitiveness, we undertook an extensive consultation process over a two-year period, which included parliamentary study and comment. The result was the introduction of a new economic regulatory regime for Canadian transportation on January 1, 1988.

The National Transportation Act, 1987 and the Motor Vehicle Transport Act, 1987 established a revised legislative framework for our transportation industry. This framework was based on the principle that competition and market forces are the best means for providing Canadians with efficient transportation at the lowest possible cost.

This legislation did not deregulate safety nor in any way diminish its importance. In fact, it emphasized the importance of safety by introducing it for the first time as a basic principle of our national transportation policy statement.

Economic regulation of the transportation industry was reduced to a minimum or modified in the case of the railways to stimulate competitive conditions to the greatest extent possible. Many of the shackles which prevented our carriers from operating in the most efficient manner have been removed. In this more competitive environment, carriers are able to provide the best possible service at the best price and support economic growth in all sectors of the economy.

These were fundamental changes in our regulatory system, but I categorically deny the charges of the opposition that they were introduced without consideration of the consequences for our transportation industries.

Our government provided for annual reviews by the National Transportation Agency for a four-year period to monitor the effects of these changes. We also provided for a comprehensive review to assess the impact of these changes in the fifth year of operation, this year, 1992.

The introduction of such a comprehensive review process in legislation is unusual. However, the government recognized from the start that the regulatory reforms that were introduced needed to be followed closely. If adjustments proved to be necessary to meet our reform objectives the government was ready to make them.

Despite the focus of the last two days of debate, again not to diminish in any way whatsoever the tragedy that has occurred, it is important to put on the record the kinds of improvements in our air services in Canada that have occurred, since this government took action. Before these regulatory changes were introduced there were controls over entry, exit—

Mr. Milliken: The airlines made money.

Mr. Bosley: Yes, all airlines in North America made money. It is typical of the hon. member for Kingston and the Islands that he somehow wants to argue that because Air Canada lost money last year when every U.S. carrier in the last three years has lost on an equity basis more money than both of the Canadian carriers combined that somehow that is a consequence of regulatory reform. It is typical of the intellectual debate of the other side at

the moment. There were controls over entry, exit, levels of service routes, operating equipment, passenger fares and cargo tariffs. These controls were impediments to efficient operations by existing carriers and new entrants, and to more competitive prices and more varied services for passengers and shippers.

As a result of the changes that were introduced entry into the marketplace in southern Canada has indeed been eased, providing for a more competitive environment. Licences no longer restrict competition by imposing limitations on the type of service to be offered, the routes and points to be served, or the types of equipment to be used.

Regulatory approval is no longer required to establish or lower air fares, except in very specific circumstances. Carriers can now set their fares and utilize the aircraft best suited to the particular markets in which they are operating.

Mr. Speaker, I can see that you are looking at me. I do appreciate that the time has expired.

In closing, I would like to say that in my view it is somehow intellectually dishonest to suggest that introducing competition into the marketplace is not essentially good for the consumers and the industry. As long as we do that while maintaining a safety record as good or better than under the old regime then we can be proud of what we have achieved.

The Acting Speaker (Mr. Paproski): 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.

[*Translation*]

It being four o'clock, this House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 4 p.m.

HOUSE OF COMMONS

Monday, March 30, 1992

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*Translation*]

ABORIGINAL AFFAIRS

MOTION FOR CREATION OF
SOCIÉTÉ IMMOBILIÈRE OKA-KANESATAKE

Mrs. Lise Bourgault (Argenteuil—Papineau) moved:

That, in the opinion of this House, the government should consider the advisability of creating the *Société Immobilière Oka-Kanesatake (SIOK)* and to transfer to the *Société* the budget already allocated by Treasury Board for the purposes of negotiating the reunification of lands at Oka-Kanesatake.

She said: Mr. Speaker, when I tabled the motion to create the Société immobilière Oka-Kanesatake, there were and, in fact, still are many problems with the difficult negotiations on reunification of Indian lands at Kanesatake and also with the agenda now being discussed with federal negotiator Bernard Roy. Things have come a long way, but even today, the process that was designed to find a comprehensive solution to this very complex problem is terribly slow, which adds to the lack of understanding that prevails between both communities.

Perhaps I could put things into perspective and introduce the many parties that are concerned about the eventual outcome. First, the municipality of the parish of Oka, where about 50 or 60 non-aboriginal families live within the Mohawk lands of Kanesatake.

For the municipalities in the parish it is a very special problem because these families no longer wish to live on federal Indian land. These families are faced daily with the fact that, unlike other Canadians, they do not have peaceful enjoyment of their property, they constantly feel and are often told, unfortunately, that the place is not theirs, that they are living on Indian lands and that those lands are being claimed and belong to the aboriginal people.

So these white people, these non-aboriginals would like to see this rather unusual situation cleared up as soon as possible. For the municipality, it means losing 50 ratepayers, so it is a rather unusual and in fact unique problem, both for non-aboriginal and aboriginal people in the parish.

In the municipality of the village of Oka, aboriginal people, between 50 and 55 families, live in the village surrounded by non-aboriginal lands. It is more or less a checkerboard situation. We have aboriginals living within lands owned by white people and non-aboriginals living within aboriginal lands. So there is a very real problem.

What jurisdiction applies to an aboriginal person living on federal land in the municipality of the village? Do provincial and municipal laws apply? Does the municipal building code apply? According to a recent judgment in the Jean-Roch Simon case, which is being appealed, the judge said that in the municipality, provincial and municipal laws applied, and just because it was federal land did not mean that these people could build homes that did not conform to the municipal code.

We have the Kanesatake Band Council, whose members were elected by their peers for the first time. This provisional council is supposed to set up a more permanent election procedure, based on their own by-laws, by the end of June 1992. The Band Council is responsible for day to day administration, for all land claims negotiations, for the agenda now being negotiated with the federal negotiator, land reunification, and economic development. In other words, they have a lot on their plate.

There is the federal-provincial negotiating committee which includes the mayor of the parish, Mr. Patry, who was appointed, if you recall, during the crisis in 1990. Mr. Roy had been involved at the time, and was appointed

federal negotiator in charge of negotiations with the aboriginal people. Subsequently, of course, there were a number of problems which held up the committee's work for quite some time, and a number of meetings could not be held. Obviously, without meetings the parties cannot discuss the concerns of both communities.

Furthermore, the Department of Indian Affairs and Northern Development maintains its fiduciary role *vis-à-vis* the aboriginal people. The department is therefore very much in the picture, because to the aboriginals, the department is their federal counterpart, since they will only negotiate from government to government. This means the entire regional office of the Department of Indian Affairs and Northern Development is still very much involved in this matter.

A number of associations and groups were formed since the events in Oka in 1990. To name only the larger ones, there is the Association of Property Owners inside Kanesatake, also known as APIK. These people represent the interests of about 60 families which live in the aboriginal checkerboard.

• (1120)

They did a simply outstanding job and I must take the opportunity again to congratulate the leaders of this association who with their well-prepared and articulate presentations were able to convince the government that their problems were real. I can tell those who live in this area that I am particularly concerned about their daily problems and they know that I am looking after their situation regularly.

The Oka Chamber of Commerce, through its president, Michel Bond, is very concerned about economic development in the region. Everyone is wondering what parcels of land and houses might be bought for the reunification of the natives' land holdings. People wonder if it might be their own house. For the whole business community in the area, it is a big problem and they want it settled. They have continually shown leadership. The Chamber of Commerce recently formed a coalition of local non-profit organizations including the Oka farmers' wives, the united craftswomen and the owners' association, in short, any charitable or other group in Oka.

Mr. Speaker, I have left the most important for last. Mentioning it last in no way affects its importance. The citizens of this great region live in a unique territory which is unmatched. Quite legitimately, they want to know what will happen to them tomorrow. Will their house, street or neighborhood be considered for the land reunification? Can they enlarge their house? Can they demolish it? Can they build a swimming pool? Can they rent their house? Can they enjoy their property in peace? Those are legitimate questions that any home owner has. In that area, they raise them all the time. I say again that we must make a very big effort at communicating with those people, because the citizens of Oka want their community to be as it was before. They want to live in peace in that wonderful region, Mr. Speaker, which you should visit one day.

Now there is a last offer. The Kanesatake Mohawks always said that the Oka pine grove was sacred land and that any negotiation with the federal negotiator could succeed only if the Mohawks recovered that part of the territory adjoining the famous parcel of land bought from Mr. Rousseau, and the Jardins d'Oka. It is now a municipal park which is not used by non-natives, it must be said. I think that the Oka council is quite aware of it, and many people with whom I have spoken are well aware that the pine grove park is a wonderful spot, but is used by the natives for various ancestral reasons.

The home owners south of highway 344, who you recall were the first to be thrown out when the armed warriors took Oka on July 11, 1990, a date now famous in the minds of my constituents in that part of the riding, lived and still live in a rather unusual situation. You see, the pine grove is on the north and these home owners are on the south, so the government cannot create a reserve behind, which I think neither the native people of Oka nor the whites want to have. This is what the government has done. It asked whether the village of Oka would be interested in a transfer of property. To solve the problem of those living south of highway 344, the government would buy that land, between 12 and 15 properties, and in exchange, the village would turn over the pine grove to the negotiating committee so that the federal negotiator could see the light at the end of the tunnel and finally conclude what I would call a peace treaty, Mr. Speaker, which is what everyone wants.

What we did not know but have since learned is that the residents of Girouard Street, the owners that are neighbours at the back of the residences south of highway 344, are very concerned. They say this: "If the federal government transfers the properties south of highway 344 to the municipality, the latter could lay out a

park or do anything it wants." The owners have told me: "Madam Bourgault, we do not want someday to find ourselves, through circumstances, with a park adjacent to our backyards, a park that could eventually belong to aboriginal people." This situation presents a particular problem for those residents, a problem that the government, as well as the municipality and the federal negotiator, must take into account.

Those are only a few of the problems. Of course, all those people and organizations have retained the services of lawyers. There are several lawyers from various firms involved in this issue who try, as best they can, to protect the interests of their clients. There is all kinds of speculation; there is a lot of hearsay, "I heard that", "maybe that", and "possibilities that". In fact, there are so many rumors that we must absolutely establish a communication process as soon as possible.

The Hon. Monique Landry has two big responsibilities since, on the one hand, as minister of state for Indian affairs, she is responsible for aboriginal rights and, on the other hand, as a minister for the region of Laval—Rive-Nord, she is the regional responsible minister. Therefore, she finds herself in a rather difficult position, but I must say that she works very hard. She has never stopped working on this issue, and she was always available when people wanted to meet with her. She has done all that she can and I must say that she does not always get the necessary support, including from myself as well as from aboriginal people that do not necessarily support her efforts. This issue is so unique and so complex that we must look at it in a unique fashion. It is not easy for a government to find a unique solution to a unique problem.

It is for all those reasons, Mr. Speaker, that I propose the creation of the Société Immobilière Oka–Kanesatake, of which I would like to enumerate some objectives: to transfer the reunification of lands process, as well as the budget allocated by Treasury Board for that purpose, to a local authority; to allow more open negotiations, by establishing a legitimate intermediary between the two communities; to reduce the over-all costs of the reunification of lands; to accelerate negotiations at every level by reducing to a minimum the present delays; to bring together the two communities; to ensure stability and continuity to the negotiation process; to create a favourable climate for the economic and social development of the communities, and so on.

The government has decided to open a local public works office to accelerate the process as regards anything that can be negotiated at the table. When negotiators come to the conclusion that a piece of land is necessary for unification purposes, rather than wait until the end, and in order to solve the problem of non–aboriginal people that are like hostages in those negotiations, Public Works Canada will act immediately. The office just opened and there have been problems because aboriginal people have demonstrated to keep that office from opening. Once again, this was because of a lack of communication and because the aboriginal people did not know the role of that office. This office is there to answer legitimate questions from the people, such as: "Is my house being considered? Is it going to be bought or not?"

• (1130)

Finally, Mr. Speaker, the coalition and the Chamber of Commerce are still holding meetings and I think that it is not only up to the federal government or the provincial government to settle the problems of these two communities. They will have to learn to compromise in order to live together. They have no choice. Nobody is about to be deported and the federal government will not expropriate. One Mirabel was enough. We do not want to create another similar situation.

Therefore, it is a matter of mutual agreement. But again, there must be consistency. We cannot buy up all of Oka. The federal government cannot acquire the ownership of the whole area and the Mohawks from Kanesatake must understand that white people are living there too and will continue to do so. That is the way it is and there is nothing we can do about it. The two communities must immediately start to look for local means to help one another understand their respective specific needs and interests.

Mr. Speaker, I am convinced that the government made the right decision when it decided to open an office there, although I have to admit that, personally, I would have preferred all matters to go through a Société Immobilière Oka–Kanesatake. We did resolve the sensitive issue of Mirabel expropriations with the Société Immobilière du Canada in Mirabel, and things went just fine. The local people dealt with the government offi-

cials in charge of buying and selling the land. This leads me to believe that, had we put one single local unit in charge of the entire process, there would have been no problem. There would not have been such a big problem due to lack of communication, misgivings about what a mandate is, the perception some may have regarding the sale or transfer of the lands known as the pines for the property south of highway 344, all legitimate questions the people have after going though the dreadful crisis they experienced.

Let us not forget that the events of the summer of 1990 have left indelible scars on these people's minds. Of course, each time a problem arises in Oka, the people who have not yet recovered from that crisis will get very insecure. It is only normal that they ask questions and want their concerns answered.

In closing, I wish we had created that agency, but the government decided otherwise and I am prepared to work with Public Works, Indian and Northern Affairs and the negotiating committee. However, I would really like to know when the negotiations will be over. When are we going to see the light at the end of the tunnel at the negotiating table. It looks so complicated to many people, but it seems to me that, with a little good will, considering the serious unemployment situation in Kanesatake, considering that economic concerns must be resolved without delay, it would be time to set aside all those animosities and act to restore good relations and put an end to those negotiations which are dragging on and are not conducive to bringing the two communities closer together.

[*English*]

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I am pleased to rise in the House today to speak on the private member's motion put forward by the hon. member for Argenteuil—Papineau, my colleague from the area that is involved in this particular motion.

Her motion reads:

> That, in the opinion of this House, the government should consider the advisability of creating the *Société Immobilière Oka–Kanesatake* and to transfer to the*Société* the budget already allocated by Treasury Board for the purpose of negotiating the reunification of lands at Oka–Kanesatake.

I would like to establish three important points that this House and the Canadian public need to be aware of. First, this motion is irrelevant since the member's own government has already objected to the idea in a letter which was sent to the chief of Kanesatake.

Second, the member is in conflict of a responsibility to all of her constituents and to the members of this House.

Third, the precedent set by establishing this process in Oka would be unwieldy and costly in all other regions of Canada where land claims processes are being negotiated.

This motion is an example of a waste of time and taxpayers' dollars. The government has already opposed the idea in a letter that the Minister of State for Indian Affairs wrote to Chief Jerry Peltier on March 11, 1992. In that letter the federal minister gives very clear assurance that there will be no acquisition of properties by the special office proposed by the member opposite before any issues are addressed at the negotiating table.

The minister also stated that she believes in the current negotiating process. The Mohawk Council of Kanesatake already has a negotiating process in place with the federal government for the transfer of land. The federal negotiator is Bernard Roy who has developed the process in conjunction with the Mohawk Council. The negotiators are progressing. If they are to succeed, it is essential that these parties are allowed to proceed.

This motion is an attempt to undermine and destroy the negotiating process between the federal government and the Mohawk Council. You cannot look to a business deal, a real estate office, for a very complicated political problem that needs a unique solution, as she puts it. You need to deal within the realm of politics because it is not a business deal that will deal with this particular issue or that will resolve it.

In my view, the member is in conflict. She is not only proposing a motion that her own government has already rejected, she is also working against her own constituents whom she was elected to represented in this House, not work against. They are the Mohawk residents of Kanesatake. Whether she agrees or disagrees, they are also her constituents. She has shown no respect for the Mohawk government of Kanesatake.

I am a member of the Standing Committee on Aboriginal Affairs, which held months of hearings as a result of the Oka crisis. Both the member and I worked on that committee together, at odds at times but together nevertheless. In the end we came out with a report in the summer of 1990 which makes some very specific and constructive recommendations.

The member should bear in mind one recommendation. We produced a set of recommendations to the government. The member, by way of her motion, is also conflicting with the very report which she endorsed.

Let me read the recommendation which the members of that committee agreed to: "Recommendation No. 6: The land views conflict resolution at Kanesatake. The Standing Committee on Aboriginal Affairs recommends that the government approach the parties regarding the advisability of putting in place a process to deal with conflicts between municipalities and Mohawk authorities over land use issues affecting both communities without prejudice to the land claims. The committee recommends the appointment of a mediator, upon the joint approval of the parties concerned, to facilitate discussions over land use matters such as zoning and other municipal concerns. The committee also recommends that the appointment of an arbitrator jointly agreed upon to make binding decisions where negotiations and mediation do not resolve the conflict".

I also want to point out to the members of this House that by supporting this motion, a precedent would be established whereby such an office could be established in every municipality in Canada where land claims were being negotiated, where there are difficulties and complexities that do take time, that do take consideration and extra work, that do take the expertise that is being put forward by the mediator and the Mohawk Council at this time, and also by the federal government.

For instance, does this House believe that the town of Inuvik should receive funding from the federal government to establish an office because of the negotiations of the Gwichin regional claim? Will the government be establishing such an office in Iqaluit because of the TFN plan it proposed to create in Nunavut. How much would these offices cost and what would be their purpose other than to undermine the land claims process agreed upon by the federal government.

• (1140)

All Canadians remember the tragic summer of 1990. I agree with the member opposite that we have to come together and look for a resolution. This motion is clearly provocative in light of what has occurred over the last couple of years. The conflict between the government and the people of the pines provokes emotional and psychological trauma for all involved. It is beyond me why anyone in Canada, much less the member of Parliament for the region, would want to jeopardize the system which has been established by the people since that tragic event to deal with land transfer processes.

I beg members of this House not to put our country into this volatile situation again and to not support this motion.

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I appreciate the opportunity to say a few words on the motion that has been put by my colleague, the hon. member for Argenteuil—Papineau.

Members on all sides of the House know what a delicate issue land unification is for Kanesatake. Despite what the newspapers are reporting, negotiations are continuing among representatives from the province of Quebec, the federal government, municipalities in Oka and the band council. Indeed Grand Chief Peltier has already let it be known that he is unequivocally opposed to the proposal. He proposes instead a return to vigorous discussions at the negotiating table in order to make progress.

The efforts of the hon. member who put this motion to resolve the issue are well known and she deserves the support of all members of this House. However, certain important aspects of her proposal are unacceptable to the Government of Canada because unanimity has not been achieved among the principal parties involved.

The federal government and the residents of the two communities do not want a repeat of the events of 1990. We must enable the two communities to work together at re-establishing harmony.

I want to recap quickly a few facts to demonstrate for members on all sides of the House the progress that has been made since that time. Indeed during the summer of 1990 the government purchased, in two stages, the entire 106 acres of land necessary to launch the lands unification project at Kanesatake. The government acquired the land to put an end to the crisis and to demonstrate its good-will with respect to the principal claims of the Mohawks of Kanesatake.

In October 1990 the Minister of Indian Affairs and Northern Development held a series of talks with representatives from Kanesatake to discuss ways of settling the issues that remain unresolved in their community.

In November 1990 the minister announced the start of negotiations with the Kanesatake negotiating committee, negotiations that were aimed at establishing a unified territory for the community of Kanesatake, solving long-standing grievances concerning the seigneury of Lac de Deux Montagnes; ensuring housing, the necessary community infrastructures and economic development and formulating an agreement concerning self-government.

In February 1991 the Government of Canada and the Coalition of Mohawks of Kanesatake agreed to the schedule for land negotiations. The following April, in view of the growing dispute over whether the Mohawk Coalition of Kanesatake represented the community, the Minister of Indian Affairs and Northern Development announced that a plebiscite would be held to determine the type of government the community wanted. After the plebiscite an election was held and Jerry Peltier was declared the Grand Chief. Upon being elected, he was given the task of developing an elections code that would serve as the foundation for electing a permanent council for Kanesatake.

The Minister of State then asked the federal negotiator to meet with members of the new council as soon as possible to discuss the procedure for resolving grievances concerning land.

In October the Minister of Indian Affairs and Northern Development tabled in the House the government's response to the report of the Standing Committee on Aboriginal Affairs called *The Summer of 1990*.

In April 1991 the Prime Minister announced the establishment of a royal commission on aboriginal peoples. At the same time he announced new initiatives on specific land claims shortly before the publication of the report. With respect to the policy on land claims, significant changes have occurred aimed at accelerating the process of settling both specific and comprehensive claims.

The specific claims commission was established as part of the initiatives announced by the Prime Minister and will provide an independent mechanism for resolving conflicts. The commission was also given the mandate to handle arbitration at the request of the parties concerned.

Specific land claims whose origins predate Confederation have now been approved for review and a process for expediting the settlement of small claims has been set up. With regard to comprehensive claims, the government has lifted the limit of six for the number of claims that could be negotiated simultaneously.

These are some of the measures taken by the government to clearly demonstrate that aboriginal issues are at the forefront of governmental concerns.

Colleagues will also recall that the committee recommended that the Government of Canada ensure that the Six Nations Confederacy be involved and consulted in seeking a solution of the issue of administration at Kanesatake. The committee indicated, and rightly so, that it was primarily up to the citizens of Kanesatake to resolve this issue.

The Government of Canada is promoting mechanisms through which residents of the community can make their own choices concerning the type of political representation they want.

The committee also recommended that the government consult with the parties about the creation of a process for resolving conflicts between municipalities and Mohawk authorities over land use issues. It recommended the appointment of a mediator to facilitate discussions on land use, and among other things, zoning, and the appointment of an arbitrator to make binding decisions where mediation and negotiation have failed.

At the end of the 1990 conflict, the federal government appointed a negotiator to resume negotiations with the community on land issues. The negotiating table

remains the forum where the Canadian government will negotiate with the band council in order to consider and resolve the community's other concerns.

Colleagues will recall that one of the main causes of the dispute in the summer of 1990 was the Mohawk claim to land known as the pines. The land was part of a municipal park and was adjacent to a municipal golf course which the municipality was planning to expand. This land was not for sale and up to that point the municipality had no intention of parting with it. In order to address the issue we have sought innovative solutions.

Last month the Minister of State announced details of the federal proposal aimed at resolving certain concerns of the residents of Oka and Kanesatake regarding lands. Under the proposal, the government is recommending the purchase of property south of highway 344 which will be exchanged with the municipality of the village of Oka for wooded land belonging to the municipality located west of the existing golf course and which was at the heart of the 1990 conflict.

This constitutes a fair and equitable solution likely to satisfy all parties involved. On the one hand, Mohawks will obtain land situated in the pines which are of great cultural importance; on the other hand, the municipality of the village of Oka will take possession of land which it could use to benefit the community. The initiative is one which is very likely to advance the issue of land unification at Kanesatake.

It is essential that the land at Kanesatake be continuous and not contain any enclaves. Only a few examples exist of aboriginal land that is so spread out. This type of land configuration makes both community living and economic development difficult. Joining the pines to the land already acquired by this federal government is in step with unification of this land.

Among the key elements of the proposal of the hon. member for Argenteuil—Papineau is the creation of a body that would be responsible for informing the entire population, native and non-native, of the federal government's plans on all issues of interest to the two communities, principally that of land acquisitions.

I would join colleagues on both sides of the House in applauding the recent announcement by the hon. member for Argenteuil—Papineau concerning the establishment of the federal information office in Oka-Kanesatake. The presence of an office such as this in the community will contribute significantly to improving relations between the region's native and non-native communities.

The office will fulfil two objectives of the federal government. First, Public Works Canada officers need a location to conduct business when they are discussing purchases with land owners. Second, a liaison officer will be on site to inform all parties concerned of the advances being made by the government in the land unification project.

This information will be provided once a decision has been made at the negotiating table. Certain segments of the population of Kanesatake have called for the office to be closed. Following discussions the band council agrees that the government should act openly and promptly with the residents of both communities on the land issue. We believe that this office can play an important role in this regard. It must therefore remain open and proceed with its mandate.

• (1150)

In conclusion, after hearing this brief overview, I am sure colleagues will agree that significant progress has been made on the Oka-Kanesatake issue. But negotiations currently under way must continue. There must be no new delays; the entire population is calling for action. People in the area are anxious for the land unification project to be completed, as this will end the cloud of uncertainty hanging over the community.

The government has made a commitment to move ahead while taking into consideration the interests of aboriginal peoples and non-aboriginals in the region. We must continue in the direction in which we started. The future of an entire region of Quebec and Canada is at stake.

[*Translation*]

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, I welcome this opportunity to speak to the proposal presented by the hon. member for Argenteuil—Papineau, especially since I was astonished when I heard the hon. member for Western Arctic accuse my colleague of having a conflict of interest. That is the kind of comment which since 1990 and shortly before has led to the endless wrangling that has been going on in the area. I would have expected the hon. member for Western

Arctic to be more diplomatic and more aware of what is going on in this part of Quebec.

The motion presented by the hon. member for Argenteuil—Papineau reads as follows:

> —the government should consider the advisability of creating the *Société immobilière Oka-Kanesatake (SIOK)* and to transfer to the *Société* the budget already allocated by Treasury Board for the purposes of negotiating there unification of lands at Oka-Kanesatake.

As a member of this House, I feel I must congratulate the hon. member on her efforts since 1990 to find a solution to the problem of land reunification in Oka-Kanesatake. Her proposal includes a number of very interesting aspects which deserve further study. For instance, I welcome her suggestion to create a unit that will be responsible for informing the people of Oka-Kanesatake about the federal government's plans.

In fact, since the end of the crisis, the people in these two communities have had no mechanism for getting information on what is happening and how their interests are being defended. As a result, there is a lot of misunderstanding and disagreement which is certainly not conducive to restoring good relations between aboriginal and non-aboriginal communities in the region.

In fact, I was delighted when the hon. member announced a few weeks ago that an information office, staffed by Public Works Canada, would open its doors. I think this office will be extremely helpful in disseminating information to both communities. In this way, any false rumours that might upset the normal negotiating process for the reunification of Kanesatake lands could be defused immediately.

By opening this office, the government has made it clear it is concerned about the well-being of the aboriginal and non-aboriginal population. Last year the health minister announced several initiatives that would be helpful to the local economy. Funds were allocated to stimulate the region's tourism industry.

The proposal by the hon. member for Argenteuil—Papineau to create a unit consisting of representatives of all parties concerned to manage the land acquisition process would nevertheless cause serious problems. It would also cause additional delay in settling the land claims issue.

The lands reunification and acquisition process is starting to show some interesting results. The Department of Indian Affairs and Northern Development has asked Public Works Canada to start negotiations with non-aboriginal property owners who want to sell their property. A number of purchase offers have already been made and others will be made very shortly.

Incidentally, the entire process is based on mutual agreement, and no property owner will be expropriated by the federal government.

Members on both sides of the House are aware that the piece of land referred to as the pines is very important to the Mohawks. It is important to them both culturally and as part of their heritage.

For the village of Oka, however, this happens to be a park next to the municipal golf club.

We know that ownership of this land was the focus of the various events of the 1990 crisis. The Minister of State for Indian Affairs and Northern Development recently made a very important and innovative announcement concerning these lands.

Under this proposal, the village of Oka will acquire certain properties south of highway 344 in exchange for the pine grove. This is a fair and reasonable solution that would enable the municipality to acquire land to use as it sees fit. At the same time, it will allow the Kanesatake Mohawks to obtain the pine grove that they say they want so much. That is another important step in resolving the grievances related to land unification in Kanesatake.

As I said before, more progress is being made at the negotiating table. It is up to the parties involved to inform the public about it. That is why I believe that the proposal from my colleague, the hon. member for Argenteuil—Papineau, is unacceptable in its present form. Furthermore, it implies that the municipality and village of Oka would have their say in managing the land that the Kanesatake Mohawks consider their own.

I am convinced that this proposal is completely unacceptable for the native people concerned. Everyone yearns for the land unification issue to be settled quickly. We must all ensure that this matter is resolved as soon as possible. We cannot afford more delay in unifying the land at Kanesatake, and the negotiating process begun by Public Works Canada must not be impeded. We must

not encourage real estate speculation in Oka, nor can the negotiating process be dragged out because property values for the present owners would go down even more.

The federal government is committed to offering purchase prices that would reflect the circumstances that these property owners had to face. They will receive fair and reasonable offers.

Mr. Speaker, we owe it to our constituents to work to restore harmony between the two communities. Let us therefore give the present process time to take its course.

The Acting Speaker (Mr. Paproski): Since no more members wish to speak, the time provided for Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

* * *

POINT OF ORDER

BILL C-63

Mr. David Dingwall (Cape Breton—East Richmond): I rise on a point of order, Mr. Speaker. I have given verbal notice to my colleagues in the respective parties with regard to a point of order concerning Bill C-63.

It was given first reading on March 10, 1992. I believe that this bill is out of order, and as the Chair hears my submission I think it will become obvious why I am making this particular point.

I do so before the bill is introduced for second reading, Mr. Speaker. I will allude to remarks made by one of your predecessors who indicated quite clearly that perhaps when making an intervention of this nature it ought to be done shortly after the first reading but certainly before second reading of the substantive part of the bill.

Standing Order 68(3) states:

> No bill may be introduced either in blank or in an imperfect shape.

I suggest that Bill C-63 is in breach of that particular standing order.

Point of Order

In the budget the Government of Canada announced that for reasons of economy it planned to close a number of government agencies. A number of these are merely of an administrative nature and lend themselves to being folded into other agencies doing similar work. Others, however, are distinctive agencies performing distinctive public functions.

Bill C-63 is intended to give legislative authority to the government's announcement with regard to six agencies performing, in my view, distinctive functions.

• (1200)

Bill C-63's long title, an act to dissolve or to terminate certain corporations or other bodies, is intended to mask the real complexities of the bill. It puts forward the fiction that the bill is merely a cost cutting measure eliminating a bunch of redundant or archaic agencies while in fact, when one examines the bill, it reveals that while it does wind up some agencies thereby saving some money, it also makes major substantive changes to public policy with regard to the role of government.

Very briefly I think it should be noted that one of the agencies in Bill C-63 that I referred to is the Canadian Employment and Immigration Advisory Council, and obviously the minister responsible therein would be the Minister of Employment and Immigration. It has consequential effects with regard to the Unemployment Insurance Act. The statutes would be amended there.

The second agency which has been referred to is the Canadian Institute for International Peace and Security. The minister responsible would be the Secretary of State for External Affairs. Again that particular section would have consequential effects on the Access to Information Act, the Financial Administration Act, the Privacy Act, and the Public Service Superannuation Act.

Another agency is the Economic Council of Canada. The minister responsible there would be the Minister of Industry, Science and Technology. It too has a number of acts which would be affected in consequence thereof: access to information, schedule II to the Financial Administration Act, schedule III of the Municipal Grants Act, and the schedule to the Privacy Act is amended.

Point of Order

The fourth agency is the International Centre for Ocean Development. Again the minister in this particular instance is the Minister for External Relations, which is different from the previous one.

The fifth agency is the Law Reform Commission of Canada. I might add that under the International Centre for Ocean Development, when one reads that statute, the consequential effects are to the Financial Administration Act, particularly part 1 of schedule III, as well as the International Centre for Ocean Development, the act itself.

Under the Law Reform Commission of Canada there are a number of statutes, some of which I have already referred to, that would be duly affected as a result. The minister in this particular instance would be the Minister of Justice.

The final one is the Science Council of Canada. The minister responsible would be the Minister of Industry, Science and Technology. Again a number of statutes would be affected, namely schedule I of the Access to Information Act, schedule II of the Financial Administration Act, schedule III of the Municipal Grants Act, the schedule of the Privacy Act, part 2 of schedule I of the Public Service Staff Relations Act, and part 1 of schedule I of the Public Service Superannuation Act.

The bill amends or repeals statutes affecting six agencies. If properly drafted, the long title would indicate its purpose of terminating specific agencies by name. This would of course uncover the real purpose of the bill: in the guise of cutting costs and eliminating some redundant bodies, to eliminate a number of government agencies that in the course of effectively carrying out their responsibilities have become thorns in the government's side.

I refer to your predecessor, Mr. Speaker, the hon. Lucien Lamoureux, who was reported at page 284 of the House *Debates* on January 26, 1971. We were talking about an omnibus bill, and this clearly is an omnibus bill affecting six different agencies. I quote:

> However, where do we stop? Where is the point of no return? The hon. member for Winnipeg North Centre, and I believe the hon. member for Edmonton West, said that we might reach the point where we would have only one bill, a bill at the start of the session for the improvement of the quality of life in Canada which would include every single proposed piece of legislation for the session. That would be an omnibus bill with a capital "O" and a capital "B". But would it be acceptable legislation? There must be a point where we go beyond what is acceptable from a strictly parliamentary standpoint.

As I alluded to at the outset of my remarks, Mr. Lamoureux said that the most appropriate time in which to raise a point of order of this nature was after first reading but certainly before second reading. I believe in that same judgment you would hear him say the following words:

> —it is much easier for the government to go back to the legislative mill, to the judicial luminaries of the Department of Justice where the bills are prepared, for the consideration of Parliament. If I may say so, I think that even those very learned gentlemen should take into account the fact that this aspect of legislation is of interest to all hon. members, of interest I am sure to the government, and certainly of interest to the Chair, namely, that there must be a point where an omnibus bill becomes more than an omnibus bill and is not acceptable from a procedural standpoint.

Superficially the principle of the bill, as the government purports, is to reduce the cost of government. In reality, however, it raises the principle—and I want to underline this—of maintaining the Economic Council as an independent advisory body on economy planning, the Science Council on scientific planning, the Law Reform Commission on the administration of justice, the Employment and Immigration Council, the Peace and Security Institute, and the International Centre for Ocean Development within their own areas of specialization.

It raises the question of the role of government in developing independent points of view to assist in long-term policy development. These are principles, I suggest, which are far different from that of the economic operation of the Government of Canada. Furthermore, each agency differs in its scope from the next, which means that the considerations involved are certainly far different.

Thus, in effect Bill C-63 raises not one but at least in my view six different principles. The umbrella of cost cutting may well apply to a number of agencies involved, but there are at least six agencies that raise such independent issues of public policy that they ought to be considered in separate bills.

The objection to the omnibus bills is based on the fact that it is repugnant, confusing and unparliamentary to ask the House to declare itself in one division on a motion that in effect embraces many principles.

Beauchesne's fifth edition, citation 703, which is now citation 626 of the sixth edition, talks about the form of a bill. It reads:

> Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of the bill. They must be relevant to and subject to the umbrella which is raised by the terminology of the long title of the bill.

I suggest that these are six separate, and I use the word with great respect, distinctive mandates. How anyone could think that there is a realm of relevancy when one reads the long title of the statute is beyond the comprehension of this particular reader.

On May 6, 1971, as reported in the *Journals* at page 532, the Chair went on to say: "It follows of course there should be a theme of relevancy between the contents of a bill. They must be relevant to the subject of the umbrella which is raised by the terminology of the long title. It is of course a matter of judgment", and I underline that for the Chair, "in each case as to when a bill offends to the point that it should be ruled as unacceptable because it contains disparate matters in the same bill".

My colleague, the distinguished member from Calgary, the government House leader, on a previous occasion in March 1982 rose on a point of order on a similar matter. I wish to quote him from *Hansard* at page 15481 where he rose on a point of order with regard to the omnibus bill, Bill C-94, which was introduced by the government of the day. He objected to it and rose on a point of order. I wish to quote some of the things he said, as reported on that particular page at March 1, 1982:

• (1210)

> The government might argue, Madam Speaker, that this bill flows from the National Energy Program and that provides the necessary relevancy. To begin with, that would not strictly be true. While most of the items were mentioned in the National Energy Program, there are parts of this bill which do not flow from the National Energy Program. They are separate.
>
> Secondly, and more importantly, if that argument is to be given any weight then one clearly would have to accept the principle that a single bill could be brought in covering all intended legislation for a session, rationalized on the basis that all its component parts flow from the throne speech which commenced the session.

That was the government House leader on March 1, 1982. Then he goes on to say:

> Presumably the government will also argue that the component parts have to do with energy and thus that provides the theme of relevancy to the bill. Well, Madam Speaker, to begin with, all the component parts do not deal with energy. However, if that argument were put I would only say that to accept it would be to accept that would be satisfactory to bring in a single bill covering income tax, excise tax, appropriations, borrowing authority, and for that matter unemployment insurance, since all of these deal with money. If that is the theme, then we could have that kind of grouping.

So you see, the government House leader in a previous incarnation rose in this House and stated some very important aspects of the omnibus bill in terms of its being acceptable to the House.

Just because some of these agencies have been cut as the government says for monetary reasons—and I do not necessarily concur—you can clearly see that it certainly interferes greatly with the public policy process. It interferes with how government interfaces with different agencies and how government obtains its information in order to make the decisions which it believes to be important.

Another aspect that I want to raise with you is that if this Bill C-63 is going to be accepted at second reading, one has to remember that in paragraph 659 of the sixth edition of Beauchesne, it says:

> The second reading is the most important stage through which the bill is required to pass; for its whole principle is then at issue and is affirmed or denied by a vote of the House. It is not regular on this occasion, however, to discuss in detail the clauses of the bill.

So you see, we are going to be dealing with a bill covering six substantive agencies, all of which are very, very different. They are different in their mandate and different in terms of the ministers they report to. We will have a debate on second reading on six different principles. I suggest that amendments would be very difficult to put in place in terms of making them acceptable at the report stage thereafter. So I bring that to the attention of the Chair as well.

I want to conclude by quoting the government House leader again, this from page 15482 of *Hansard* on March 1, 1982. I might add this is the very distinguished member from Calgary. He is the government House leader and the individual who many of us, particularly on the government side, look to for leadership in terms of the

legislative agenda. But this is what the hon. member said on that particular day:

> The fact that the principle of the bill is established and concurred in at second reading very seriously proscribes the types of amendments which might further be put to the House. Hence, we have the double dilemma of the impossibility of having a second reading vote on a bill which contains so many disparate principles, as well as the very serious difficulty in which the Chair would be placed in trying to ascertain what types of amendments are acceptable or not during further stages of a bill's consideration.

I think the hon. member opposite when he made that intervention in March of 1982 was not thinking of what would happen on March 30, 1992 in terms of this particular bill.

In summary, and I hope others will make interventions, I would argue that Bill C-63 has six different agencies, substantive agencies, all of which provide information to the government through different ministers, whose role and mandate is to interface with the Government of Canada, to provide it with information and, at times, opposing information to the views that the government may be pursuing. I suggest that it would be very difficult under the auspices of relevancy to be able to carry on a substantive debate at second reading. I suggest that it would be very difficult, if not next to impossible, to implement or put forward amendments which would be acceptable to the Chair.

Finally, I think it is time, if I may be permitted to use some personal language here, that the Chair recognize what is going on here. The government is holding Parliament, not up to ransom, but certainly holding us in somewhat of a disrepute in the sense that it just thinks it can come in any old time, slap a bill before the House for first reading, whether it covers four, five or six different agencies, and expect those of us in the opposition to merely nod our heads and proceed as usual. I do not think that is fair and I do not think that is appropriate. I would say to the parliamentary secretary to the government House leader, who has tried to carve out a reputation and, in some instances, he has been successful as a reformist within Parliament and as a procedural person, that it is not fair or appropriate for the government to proceed with Bill C-63.

I want to thank the Chair for giving me the opportunity to make this intervention. I hope the Chair will reflect upon what I have said and perhaps will give due consideration, as the Chair always does, to colleagues on the other side as well as my distinguished colleague from Kamloops who no doubt will be making a reasoned, thoughtful, persuasive argument as he normally does.

The Acting Speaker (Mr. Paproski): I will listen to the hon. member for Kamloops on his persuasive argument.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I would like to say right from the outset that I think this is a most critical issue that my hon. colleague has raised this morning. For many of us it is a bit of *déjà vu* because, as my colleague has indicated, I remember back in 1982 when our friend from Calgary was in the opposition and led a very, very tough debate and discussion around this issue dealing with the National Energy Program. As a matter of fact, it was the infamous 16 days of bell ringing and so on. It was one one of those special debates on these special issues.

Here we are once again attempting to make the point with the Chair, which at that time was made in the end successfully, to suggest that Bill C-63 is a bill that is very difficult to deal with as we would normally deal with a bill today at second reading because, as my hon. friend has indicated, second reading is the time when we discuss the principle of the bill.

When I saw this, I asked myself what is the principle of this bill. Is it dealing with employment and immigration matters because when you abandon the Canada Employment and Immigration Advisory Council of course that is a major policy shift on the government in terms of changing that. Or is it to deal with Science Council issues? Again, when you wind up the Science Council of Canada you are making a major policy decision in the science area. Is the principle of the bill dealing with international peace and security which of course it does deal with. Does it deal with a whole variety of economic issues that the Economic Council of Canada has dealt with over the years?

It is perplexing because, as a responsible member of Parliament, one wants to debate the bill at second reading. One wants to debate the principle of the bill. I cannot determine what the principle of this bill is because it deals with a whole pot-pourri of different areas.

• (1220)

This poses a dilemma. This, obviously, is an omnibus bill. It deals with employment and immigration, international peace and security, economic issues. It deals with ocean development. It refers to the Law Reform Commission and all of the work that that commission does, as well as the Science Council of Canada.

To proceed at this point, at second reading, obviously poses a serious dilemma. My hon. colleague has referred back. I will not refer to the references that he has quoted. I do not think it is necessary. I want to cast our minds back to that very critical debate in 1982 regarding energy policy.

There the position was made very clearly that unless we break up an omnibus bill of this nature and deal with the component parts independently and properly, this will set a very, very important precedent. If we are simply saying that in one bill you can deal with immigration issues, employment issues, ocean issues, science issues, economic issues and so on and so forth, are we not getting perilously close to the day when we simply say: "Here is the omnibus bill of the session of Parliament dealing with taxation, agriculture, forestry and a whole variety of areas. We will debate this one bill, and that will be it".

In other words, Parliament might last then for a whole session for a matter of hours or days, depending on the interest of the government in using closure.

I look across the aisle and I see the parliamentary secretary to the government House leader who I know, on balance, is a reasonable individual. I am sure he will participate in this debate. When the government introduced in the budget the fact that it was going to close these agencies—it is the right of the government to do that—we thought it was wrong-headed at the time and we still do. Again, this government has done a number of things. Most of the things it has done are wrong-headed in our estimation, but it has the right to do them. It indicated that it was going to close these government agencies.

Little did we ever anticipate that it would do this in one fell swoop. It minimized the debate. This is where I appeal to my hon. friend across the way, the parliamentary secretary to the government House leader who knows how important it is that we debate issues thoroughly and properly in this House and that to do the job under the normal time allocations we have to debate issues. We know that his hon. friend, the House leader for the government, is going to suggest that we deal with this within a day or two.

We are winding up some very critical agencies. If we are going to do that, the government ought to at least have the courage to debate openly the wisdom of winding up the Science Council of Canada. Scientists and others who are knowledgeable about the way the economy is going in the 1990s and toward the year 2000 tell us that science and science policy will play a critical role.

Is this the time to wrap up the Science Council of Canada? Is it the time to close down the Economic Council of Canada? The government says "yes". I suspect that unanimously, the opposition will say "no". That then, should be the basis of a thorough, open and complete debate.

We all know that this will not take place. If this omnibus bill is allowed to proceed as it is presently composed, that debate will not be forthcoming. It will be muzzled. There will not be adequate opportunity for people to participate in sharing their views on these critical areas.

I join with my friend, the House leader for the Official Opposition in saying that we too would support the notion of dividing up Bill C-63 to allow open, proper and complete debate on the winding up of these critical government agencies which we think is a serious departure in terms of past government policy. We feel that it deserves that type of open debate.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I would like to basically add a few remarks in support of the point of order by the previous speakers. The budget, by way of an example that is useful, proposes to amalgamate two agencies called the External Review Committee of the RCMP and the RCMP Public Complaints Commission. To do that by way of an omnibus bill would really be a detrimental situation. The RCMP Public Complaints Commissions is an agency that has just commenced. It is an extremely busy agency. In the area I represent, it has had a large number of complaints put forward against a very small number of individuals. Yet those complaints are occurring across Canada. We have the situations of David Marshall, Wilson Nepoose and David Milgaard. We have had numerous examples of where the public must have access to the complaint system. There must be a mechanism to debate any of those changes in the RCMP Act in the House of Commons.

Point of Order

The commission has asked for 41 changes to the legislation to strengthen and improve the national police force in Canada. It would be a serious error to jam this through without debate by way of an omnibus bill.

Hopefully the government will reconsider this position and allow these issues to be debated individually because of their importance to Canadians.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I want to take a few minutes to respond to the interventions of my friends opposite. They have made some interesting, not particularly new arguments but arguments that I think are worth spending a little time on.

I am advised from across the aisle that these were arguments that were used by the government House leader on a previous occasion. I am sure he would be very much flattered by the fact that his arguments were once again presented in this House and people quoted them with great authority and great enthusiasm.

Mr. Dingwall: But in a much more coherent fashion.

Mr. Cooper: It is certainly arguable as to whether or not the original argument was better put than the references made to them today. I leave that in your hands, Mr. Speaker.

However, the intriguing thing is, no matter how good those arguments were that my colleague the government House leader made several years ago, they were not good enough. Mr. Speaker, you will recall that what happened was that the Speaker of the day ruled that in spite of the compelling arguments that he made, he did not win the day.

We are in a similar circumstance today. There is nothing precedent setting about the discussion here today. In fact, one of the Speakers said in the past, Madam Sauve, I believe it was, in a very brief one paragraph ruling: "There is no point in me going through all the precedents we have here. The bottom line is that the tradition on a bill if it is called an omnibus bill is that the House has been able to proceed with that particular piece of legislation".

Therefore, there is nothing new here today. There is nothing new at all. What I need to do, just to make sure the record is set straight, is to spend a few moments refuting some of those arguments.

First of all, this is the particular bill we are talking about, Bill C–63. My friends have described it as an omnibus bill. It is not a great big thick document. It is eight pages long.

An hon. member: Short and sweet.

Mr. Cooper: Short and sweet. It accomplishes a very simple task. If we look at Beauchesne's sixth edition, page 192, citation 626, and I quote:

> (1) Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of a bill. They must be relevant to and subject to the umbrella which is raised by the terminology of the long title of the bill.

The umbrella of this particular legislation was made very clear in the budget. It indicated very clearly that the government planned to dissolve or terminate a number of corporations and other bodies for a central theme, being the ability to cut government expenditures and, therefore, as much as possible relieve the burden on the Canadian taxpayers and to reduce the stress and pressure of the very difficult debt situation we are facing in this country. That is the umbrella.

What is the title of the bill? What does the title say? It is very simple: an act to dissolve or terminate certain corporations and other bodies. Citation 627 of Beauchesne's sixth edition states:

• (1230)

> A bill may have two titles, one long and one short. Both the long title and the short title may be amended, if amendments to the bill make it necessary.
>
> (1) *Long title*—The long title sets out in general terms the purposes of the bill. It should cover everything in the bill.

I think it is very clear that the title of this particular bill does just that. It says very clearly, "an act to dissolve or terminate certain corporations and other bodies". The title is consistent with Beauchesne and with our practices in the past and I would argue so is the bill.

I want to refer again to Beauchesne's sixth edition, the most recent edition of our procedural bible, if I can call it that, citation 634, page 194:

> Nevertheless, the practice of using one bill to demand one decision on a number of quite different, although related subjects, while a matter of concern—

As has been generated by arguments that we have heard today and other arguments in the past, and this is the operative part:

> —is an issue on which the Speaker will not intervene to divide the bill.

Mr. Speaker, there is a long tradition, there is a long history, and the Speaker's position has consistently been the same; the Speaker will not intervene.

I do not think we are dealing with an omnibus bill here. We are dealing with an eight-page document that is designed to terminate certain corporations and other bodies.

Even if it were an omnibus bill, Mr. Speaker, and as I say, I am not prepared to concede that it is, I want to refer you to the Lamoureux decisions, page 434. The question before Speaker Lamoureux that day was: can an omnibus bill be considered by the House or should the Speaker order that it be divided? The decision was very clear. The bill can receive second reading in its existing form. In other words, Mr. Speaker, even if it were an omnibus bill, it could proceed.

I want to refer to the reasons given by Mr. Speaker Lamoureux because I think they are very important. I quote:

> The government has followed a practice that has been accepted, rightly or wrongly, in the past.

This ruling was given on January 26, 1971, 21 years ago, Mr. Speaker. It is already saying very clearly the government has followed a practice that has been accepted from our past:

> The bill will be allowed to proceed despite the possible difficulties presented by omnibus legislation. Although a legitimate complaint or grievance can be raised with respect to omnibus bills, it is not clear that a legitimate procedural argument can be made.

It states:

> The House should note, however, that there is a third reading stage—

And it goes on and on. The bottom line is very clear. Speaker Lamoureux and other Speakers before and after him have made it very clear that they cannot or will not intervene to stop a bill or to divide a bill because there is in this House a long tradition of accepting those bills.

I want to read into the record a ruling by Speaker Fraser on June 8, 1988 on an omnibus question when he was faced with a similar argument and I quote:

> In conclusion, the Canadian practice regarding the authority of the Chair to divide questions has been reserved solely for substantive motions which contain more than one proposition, where members object to their being taken together, and the Chair has determined it is possible to divide the motion into more than one distinct proposition.

He then goes on to refer to Speaker Sauve's ruling. This is her ruling:

> For my part, in the present circumstances, there seems little point in offering yet another opinion on a question so well addressed by my distinguished predecessors. The matter is there for all to see. It may be that the House should accept rules or guidelines as to the form and content of omnibus bills but in that case the House, not the Speaker, must make those rules.

In other words, she gave a short, one paragraph argument saying no. There is ample precedent for omnibus bills in this House and the Speaker has never ever intervened to split them.

He then goes on to say:

> The Chair therefore must rule that Bill C-130 is an omnibus bill. It has the single purpose of enacting an international agreement amending several statutes. As such it conforms to our practice and should be allowed to proceed.
>
> Until the House adopts specific rules relating to omnibus bills, the Chair's role is very limited and the Speaker should remain on the sidelines as debate proceeds and the House resolves the issue.

We have taken a fair amount of time from the House today, not to hear a new argument but to hear an old one. Mr. Speaker, I argue before you that the conclusion should be the same as it has always been. First of all I do not accept that this is an omnibus bill, but that is almost irrelevant because in fact even if it were an omnibus bill, it is a bill that is totally within the guidelines of the House of Commons and we have every right as a House to deal with that issue.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would not have expected the government to use such clumsy arguments to defend a proposed bill, Bill C-63, an act to dissolve or terminate certain corporations and other bodies, namely the Canada Employment and Immigration Advisory Council, the Economic Council of Canada, the Science Council of Canada, the Canadian Institute for International Peace and Security, the International Centre for Ocean Development, and many agencies and commissions which we feel, Mr.

Speaker, all fill different needs. There is nothing in common between the work of the Employment and Immigration Advisory Council and that of the Economic Council or the Science Council.

But now the government is putting forward a bill to simply eliminate these institutions, which is a rather broad and indefinite principle. This initiative leaves a lot to be desired because, if we refer to the parliamentary rules of procedure, we can see that on second reading only the principle of the bill can be debated. In this case, the principle defined by speakers from the government side to date remains rather blurred and unclear.

I would like to refer, Mr. Speaker, to Speaker Lamoureux's rulings, on page 107.

[*English*]

I go to Mr. Lamoureux's statement in regard to the principle of a bill at second reading and I read "the issue at second reading can by particular provisions in a bill be debated and if a decision is no, the principle of a bill can be debated but not particular provisions".

The reasons given by the Speaker is that when a motion for second reading is before the House, the House may debate in a general way the principle of the bill but not the clauses in detail. They and the schedules should be debated at another stage.

Mr. Speaker, it is going to be quite difficult to debate the principle of this bill which is strictly to terminate certain corporations and other bodies.

In debate will we be able to give our viewpoint on the Economic Council of Canada and try to make the case that the principle of abolishing, disbanding that council is wrong? Mr. Speaker, you will have to make up an imaginative debate to try and prevent some of us on this side of the House at least from doing that. Otherwise it will for nought.

The parliamentary secretary said that this is not an omnibus bill. I do not know what the heck an omnibus bill is if this is not an omnibus bill. It covers a whole series of things. It has an approach which is common to a series of uncommon and unrelated agencies. The only common thread to the whole bill is that they are abolishing them, they are closing them down, they are, in their own words, terminating certain corporations. So the termination is the principle of the bill. The others, whether they are important or not, are not to be discussed.

• (1240)

When the parliamentary secretary for the government House leader spoke, he read from page 194 of Beauchesne, citation 634. He did not read the first phrase, he missed it. He read the last phrase. I want to put into the record all of the citation:

> Speakers have expressed deep concern about the use of omnibus bills, and have suggested that there must be "a point where we go beyond what is acceptable from a strictly parliamentary standpoint". (*Debates*, January 26, 1971, p. 2768.)

There is a point beyond which this House must not be taken for granted in debating bills at second reading. I was here when the Tories objected to the energy bill. I was here when they rang the bell for two weeks in protest. I was here when they contested, opposed and protested the decision of the government and of the Speaker to deal with the bill in 1982. I did not think the opposition was making a very convincing argument at the time. They opposed at that time something which today they are doing. They are not being very consistent.

I do not want to prolong the debate, but let me say that there are certain things in our rules and procedures that need to be looked at. Whether this is called an omnibus bill or not I do not think is relevant. This is a bill touching on a variety of agencies and institutions of Parliament. The only purpose of the bill flows from a budget announcement some months ago where the government announced that it would abandon or close or terminate the existence of these corporations, these bodies.

I take exception to that. I do not think this bill is appropriate in its present form. I do think that every one of those agencies, whether it is Economic Council of Canada, the Science Council, the Public Service Staff Relations Board, or the agency that collects facts and figures for the government so that it can negotiate decently with the other agencies, the Pay Research Bureau has merit. The Pay Research Bureau is something which, in my view, we need. How can I argue for the maintenance of the Pay Research Bureau—

An hon. member: How can you make amendments?

Mr. Gauthier: How can I make amendments to that, short of proposing that the Pay Research Bureau be deleted from the bill? That is the only thing I can do. I cannot talk about the merits of the Pay Research Bureau although I think the government needs a Pay Research Bureau to give it up-to-date negotiating information in terms of compensation packages that are paid in the private sector. So it is going to be very difficult. How do I amend, for example, the fact that I believe that the Economic Council of Canada was doing a good job? I cannot amend that because all it says in here is that we are passing a bill to terminate certain corporations and other bodies.

I submit to you, Mr. Speaker, that the point to be made is that it restricts the opposition, it restricts parliamentarians' rights to really go into the substance, the principle at hand and to go into debating rationally and logically the principle before us.

Mr. Speaker, I hope that you will take this under advisement and come back to us with a ruling at some time and that you will rule in our favour.

The Acting Speaker (Mr. Paproski): I would like to rule now but I am afraid that I cannot. I think there is a lot to consider here. I first wish to take the opportunity to thank the hon. leader of Her Majesty's Loyal Opposition, the hon. member for Kamloops, the hon. member for North Island—Powell River, the hon. member for Ottawa—Vanier and the hon. parliamentary secretary to the government House leader for their arguments.

I think there is a lot to consider here and I would like to take it under advisement. If you will permit me I shall do that and we will carry on with debate today on C-21.

Before I call C-21, I would like to say to hon. members that motions Nos. 4 and 6 are grouped for debate and a vote on No. 4 applies to No. 6.

GOVERNMENT ORDERS

[*English*]

DEBT SERVICING AND ACCOUNT REDUCTION ACT

MEASURE TO ENACT

The House resumed from Friday, March 27, consideration of Bill C-21, an act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada, as reported (with amendments) from the Standing Committee on Finance.

Mr. Nelson A. Riis (Kamloops) moved:

Motion No. 4

That Bill C-21 be amended by adding immediately after line 17 at page 3 the following new clause:

"7. To the extent that there is a credit balance in the Debt Servicing and Reduction Account, there may be charged to the Account in a fiscal year an amount in respect of any budgetary expenditure that, if it were not charged to the Account, would increase the deficit of the government in that year."

Motion No. 6

That Bill C-21 be amended in Clause 7 by striking out line 18 at page 3 and substituting the following therefor:

"8. Except as provided by section 5, 6 or 7, no".-

He said: Mr. Speaker, I am pleased to have a chance to participate in this debate. I suppose anybody listening would wonder what on earth this was all about with cutting out lines *x* and *y* and so on. Let me simplify this and put it into normal language.

This bill is what we in the opposition have been calling a smoke and mirrors bill. This bill gives the illusion that the government is concerned about how this GST is being utilized and the selling off of Crown corporations. It is trying to create the image that this is being used to pay down the deficit and reduce the debt in order to regain some popular support.

We all know around here and anywhere else in the country that you do not need a special bill or special legislation if you want to pay down the deficit and the debt. It is simply a matter of having the political will to do that and taking the necessary steps. However, I understand my friends on the government side. If I was taking all that heat on the GST while knowing how

Canadians feel about it, I suspect that I would be trying to pull some kind of smoke screen. Well, that is probably not true, but I can understand why government members would do that.

The government is saying that if there are net surpluses as a result of the GST at the end, which of course there will be, this will be automatically applied to deficit reduction and debt reduction. A surplus would be when all the money from the GST is collected and all the rebates are paid out and all the costs and so on are paid back.

If governments want to do that, are certainly capable and able to do that without special legislation, but let us pause for a moment to look at the role of government. The point of government is to collect revenues from a variety of sources through taxes, excise taxes and so on, and then invest them in ways to enhance the country and the lives of its citizens. We call things like that unemployment insurance. Traditionally, we call it unemployment insurance. We also call these things pensions, hospitals, medicare, education, highways and so on.

In other words the reason why we have millions of people wanting to become Canadian citizens is because of the kind of society and the kinds of agencies and organizations that have been created over the years. I cannot think of a single progressive economic or social policy that did not originate with either the CCF or the NDP. They have been introduced by other governments, to be fair, such as Liberal governments and Conservative governments. The ideas, however, came from the New Democrats and the CCF and it is what makes Canada a special place today.

We have seen the erosion of that over the last number of years. The point being debated by this motion was put by my hon. friend the member for Essex—Windsor. Unfortunately, because he was busy elsewhere on Friday, the amendment came in my name and was introduced. I must give him credit for having thought through this in significant detail to enable us to have this debate today.

• (1250)

What we are simply saying is this. If there are net revenues after the GST, should 100 per cent of these revenues be used to pay down the deficit or the debt?

We are simply saying that we should keep some options open. I could make a very strong case today, as others have, that some of that money could be used for retraining programs for those individuals in the country who, through no fault of their own, have lost their jobs because of the free trade agreement, because of the GST and other federal government policies. They have lost their employment and their source of income for their families and they ought to be retrained. We ought to be doing an awful lot more in this area.

Why not use some of this money to facilitate people taking courses and retraining programs? I do not hear any reasons why not. I say that might be a particular use of some of those GST funds.

We might consider the fact that there are 1.5 million people out of work today who could be using financing and funding for retraining and upgrading their particular skills. Also, what about giving some support to various enterprises and co-operatives, and so on, to create new enterprises and new employment. There is all sorts of material that we have elaborated on before: reforestation program, silviculture programs, bank stabilization programs to list only a handful. These are meaningful areas into which people could be put to work.

Perhaps the most obvious one that has been put forward by the Canadian Association of Municipalities and by the premiers now of most provinces is that we have deteriorating roads, bridges, water and sewage systems that need to be repaired or upgraded or created. My friend from Manitoba just returned from a major tour throughout northern Manitoba visiting Indian reserves. The appalling situation is that that virtually all of the native people living in that part of Canada have no water system or sewage treatment system. That is absolutely disgraceful in a country as rich and wealthy as Canada.

We are saying why not use some of that GST money to assist the provinces and the municipalities of Canada to develop that municipal infrastructure that has to be done. This is not a sort of make work project when you have to rebuild a bridge or a road or a water system. It is something that has to be done. Can you think of a better time to do it than right now?

It would put people to work, encourage manufacturing, and send a very clear signal that this government is concerned and prepared to take action on a fairly major scale.

Mr. McDermid: We are doing that.

Mr. Riis: My friend says the government is doing that. I see woefully little evidence of that. I am saying what the premiers said: "Let us fight this war on unemployment. Let us fight this war on poverty by taking some major action".

This is one use of this GST surplus fund that could be directed in that direction.

We could talk about child care and the fact that there are hundreds of thousands of children in this country who are in desperate need of decent child care. Single parents have to work. Both parents have to work. Parents have to work late in the day and commute long distances and so on. Children are at home on their own. We all know the scenarios. We need to have more emphasis put on child care to allow those families to move forward positively.

I could stand here and go on all day listing point after point of all of the things people feel we ought to be doing today. I could go on saying that the revenues from the GST could be earmarked for those kinds of programs. It is sort of evident and rather obvious for most Canadians. I think Canadians, on balance, would buy the fact if we said: "Listen, the government has decided in its wrong-headed way to collect this GST. At the moment we in the opposition cannot do anything about it other than point out the folly of that decision". But the government at least for the next few months while it is in power is going to go ahead with that. I might say that the minute the NDP gets into office we are going to stop that tax completely. At the moment, however, we are stuck with the situation.

Mr. McDermid: What will you replace it with?

Mr. Riis: My hon. friend asks a fair question: "Replace it with what?"

Why not start off with a minimum corporate tax? That is something that the United States has introduced and we could do that. Let us start off with a wealth inheritance tax for those families that inherit, let us say, $20 million. Let us have people pay a little bit of tax on that.

We could go on and on with a whole set of initiatives that have been made clear time and time again that we could use in lieu of the GST. But if we are going to have that, why not use some of the revenue generated by the GST to help Canadians, to help get the economy stimulated back into life, to bring some peace and security to Canadians and to Canadian families and to enable families to progress in a more positive way by having a decent child care system.

What about what is going on in our hospitals across this country? The federal government has decided to off-load its responsibility on to other levels of government. We are seeing hospitals closing down holus-bolus or closing wards and beds. This is a serious situation.

Finally, what about education? I think we are all in agreement and it is universal in the country that the best investment we can make is in retraining and education to ensure that our Canadian people have the best skills and expertise possible to face the demands of the knowledge-based economy of the 1990s.

All this amendment really says is that rather than locking us in so that all of that money has to be spent only on debt and deficit reduction, let us keep the option open so that some of that GST money can be put into worth-while projects, into investments into the future of Canada, and into investments into the future of Canadians.

I think people would support that notion and I would encourage my colleagues on both sides of the House to support this amendment.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I am especially pleased to get up and speak to this bill and to this amendment.

Before I get right into the amendment and exactly whether I believe that it is a necessary amendment or not, let me remind everyone that all moneys that come into the government go toward the deficit and then the debt. All programs go into creating the deficit. Because what it means is that we are spending more than we are taking in.

It makes no real difference what account you place the money in. If you are not bringing in enough then you are going to have a deficit no matter what kind of games the Conservatives want to play. That is what the deficit means. It just means there is not enough money coming in.

On the other hand, to relate to the amendment of my colleagues, I do not believe that this in any way prevents the government from spending moneys in other areas. All it says is that we will take the moneys, the net proceeds from the GST, the sale of Crown corporations and the fire sale of the Conservative government on Canadian properties and we will place them in this other account. We are going to call it a deficit reduction account.

The only real deficit reduction is going to be when we stop spending more than we take in. You might want to spend on other projects such as job training. Look at what is happening with this government that says to everybody: "We are the model of good management".

If it is such a good model of management then why it has to create this kind of account is beyond me. A good manager would know that money is fungible and it goes wherever it is needed. If it cannot control itself then that is why it has to create this kind of account.

It is saying it is managing so well and it is going to do all of these wonderful things with this deficit reduction account. But it is not preventing it from going on with its programs.

I believe just last week I heard of one. I think the Minister of National Defence announced a $100 million capital project for Montreal. It is building a new warehouse for military goods. That is not to say that I think Montreal does not need the jobs. I am sure Montreal needs the jobs.

What I am saying is that I wonder if this the right time to be building and spending money on capital projects such as this when the stated objective of this government is to downsize the military and cut back the budget.

It goes on its merry way pretending in its sanctimonious fashion that it is above and beyond all this.

• (1300)

It carries on with its own agenda. So I am convinced that this particular bill is a total loss of time and that we in this House of Commons have far more better things to do. In other words, we have to save our country. Let us stop this absolute nonsense.

I am not going to carry on any longer. I want to give the government a chance to bring forward some real bills to help this economy.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, it is an interesting opportunity this afternoon to speak on the goods and services tax once again by way of the amendment to the bill.

As has been stated previously, the amendment to the bill is simply smoke and mirrors. For Canadians, it has no relevance. What has relevance is the fact that our leader, the member for Yukon, has indicated that if the New Democratic Party is elected at the next federal election, the goods and services tax will be eliminated.

That is a commitment to the Canadian people; this party in government would eliminate that tax. It is interesting that the Conservative Party, which will not form the next government, would keep the tax. The Liberal Party has clearly indicated it will keep the tax as have the other fringe parties, the Reform Party and the Bloc Quebecois. There is a clear choice in the next federal election to end this odious tax by voting for the New Democratic Party or to keep this odious tax by voting for one of the other parties in Canada. It is a clear, unequivocal statement at this point. It is a clear and unequivocal choice at this point.

There is a political solution, not the smoke and mirrors solution before the House today. Nothing will make this bill more palatable in the eyes of people.

Through this past summer I managed to travel through most of the communities in the area I represent. One of the greatest surprises I had was the reaction of the small business community, the chambers of commerce and each of the small businesses. Make no mistake about it, the vast majority of the people in those small businesses in each one of those communities do not vote for the New Democratic Party. Most of them did not vote in the last election for the Liberal Party. They are the supporters, the backbone of the Conservative Party of Canada. They donate, they vote, they get out to the meetings and they do the job.

They have made it absolutely clear they will not be there this time. Their cheques will not arrive, their support will not arrive. The Conservative Party has killed its welcome within that constituency.

I met with the manager of a hotel who is a very strong and prominent Conservative member in one of the Island communities. The individual happened to say that he did not mind paying tax but that the goods and services tax had killed his business. It destroyed business opportunities.

We should not be discussing today what we to do with the proceeds of this odious tax. Clearly we should be talking about the destruction and removal of the goods and services tax. It is a business opportunity destruction tax and I am proposing an alternative. Let us vote against this bill. Let us once again vote against this tax and get it away from Canadians.

It destroys business opportunities. It destroys business incentive. It destroys initiative in the business community. It has had a general dampening effect on the local economies of the communities I represent and indeed communities across Canada. It has had a dampening effect politically on the fortunes of the Conservative Party of Canada.

We should not be dealing with amending this legislation as smoke and mirrors operations suggesting that the surpluses will be put into paying off the deficit. Recent articles in the newspaper indicated recovery, which is often predicted but certainly we have no substantial indication. If its arrival were to come, the Conservative Party of Canada and the Government of Canada would have an enormous war chest to attempt to buy back votes. This hoax of indicating that the money will be used to pay off the deficit is absolute nonsense.

The goods and services tax kills consumerism. There is a very definite cooling out of peoples' willingness to purchase goods, particularly in Canada. They are, in many cases, prepared to shop across the border. This tax is an incentive to do that. The goods and services tax cools out the consumer optimism and consumer confidence in small communities.

I feel that most Conservative members on the other side of the House, on walking into any small business in their communities, are told by the proprietor that if they had their first choice of things to do, it would be to get rid of the goods and services tax and possibly get rid of the proposed trade agreement with Mexico and the trade agreement with the United States. Certainly the goods and services tax is right up there on their minds. With the Conservative Party of Canada, the goods and services tax is going to be an anchor around its neck in the next federal election that will take it out of office.

My suggestion today would be that this government could do a great service to the men and women across Canada who operate small businesses by removing this tax. In fact, by removing this tax, it would enhance the business opportunities in those communities and it would see the growth of economic activity and economic well-being. It would also create employment and help confidence within the small business community. If it was to remove the goods and services tax it would be a healthier thing for all Canadians. It is ironic.

Mr. McDermid: And cut the credit to the low income people.

Mr. Skelly (North Island—Powell River): It is interesting how the Conservative Party of Canada, in a very skilled manoeuvre, attempted to appeal to Canadians to take on the goods and services tax, to support it. What a hoax. What a sleight of hand and smoke and mirrors operation.

To the consumers of Canada, especially those consumers in the lower income level, this is one of the most regressive taxes that could be imagined. It is the worse place to put a tax, at the consumption end. Then the purveyors of the trickle down philosophies say: "Here we are. We will give you a goods and services tax rebate. We will take $100 of your money and give you back $10." This is nonsense.

This tax is harmful, not only to small businesses but to the economy of local communities and employment opportunities. It is a destructive, regressive tax against lower income Canadians. This tax should be placed at the income earning end.

As I mentioned at the opening of my remarks, the manager of an important hotel complex in the North Island—Powell River riding indicated: "Let me have an opportunity to make some money and then I will gladly pay tax. I will gladly pay more tax on an earned income rather than having the goods and services tax destroy the opportunity to make money. It cools out consumer confidence. People do not come to eat meals in this hotel". It is ironic. He says: "I believe in the trade union movement. My employees are organized. I run a restaurant with organized employees and the small snack shop down the street does not. They have an advantage over me, but I believe in that. But the minute you put the goods and services tax on meals then I have greater difficulty handling that".

I cannot respond in any positive way to the comments of the Conservative Party on this bill that is before us today on the proposal to spend some amount of surplus against the deficit. This is not a realistic approach to handling the deficit. It is an attempt to justify this tax. It is too late. Canadians know this cannot be justified. Conservatives have made a terrible mistake. It is time

they pulled this tax and recognized the needs and wishes of Canadians.

• (1310)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, this is a debate about a bad tax that was brought into effect at the worst possible time. It has seriously damaged the economy and has significantly worsened the recession in this country. It has put not only the small businesses my colleague was talking about a few minutes ago in trouble but has also put thousands of Canadians out of work across this country.

We have seen the economy driven downhill by the negative impact of this tax. We have seen the unemployment rate mount. We have seen this government, despite its constant preaching that prosperity is just down the road, unable to lead Canada out of recession. We have seen the government attack provincial governments to try to give them the blame for a recession in which a poll this morning showed over 70 per cent of Canadians clearly understand is the fault of the federal government and the fault of serious policy mistakes like the goods and services tax.

However, this bill is a shell game. It is a camouflage attempt to try to somehow desperately after the fact add a little bit of sugar, a little bit of honey to this GST that the government has rammed down the throats of Canadians. The government is saying to Canadians that this bill can perhaps be justified, this terrible tax and the unfair way in which it falls on people can somehow be justified by the fact that we are going to use it simply to pay the interest on the national debt and to pay off that national debt. It holds out the prospect to Canadians across this country that the GST is actually going to pay off the national debt.

For people who are terrified by the fact that this government and the Liberal government before it have brought our national debt to the level of $420 billion, the idea that the GST might somehow solve the increasing level of national debt is something which the government hopes people may respond to positively.

Let me be very clear. The interest payments on the national debt each year cost over $40 billion. The increase in those interest payments, as the debt continues to rise, will see to it that in the future interest payments alone will go to $45 billion, $50 billion and the GST brings in what? It is going to bring in a total of just over $16 billion in this present fiscal year. It is going to bring in a total in the next fiscal year of something over $20 billion.

In other words, the GST makes absolutely no contribution to reducing the national debt. Instead, according to this legislation, the GST is being used not to reduce the national debt, but to pay the interest costs on the national debt.

That is simply one part of the whole range of expenditures which the government makes. It spends money on interest payments for the national debt. It spends money on unemployment insurance. It spends less money than it promised but it still spends money on transfers to the provinces. It spends money to try to do something about help for science in this country.

Why should we take this one area of expenditure on the interest payments for the national debt? It is not the national debt itself but just the interest payments. Why should we take that area of expenditure and single it out for special treatment? There is no logical, rational or sensible explanation for that in terms of saying that spending money on the interest payments of the national debt is more important than spending money on help for science, training people or seeing to it that the provinces keep our health care and education systems going across this country.

Yet that is what this bill before this amendment seeks to do. That is why I urge government members to support it. This amendment seeks to make it possible for the proceeds from the GST to be spent not just to pay interest costs but also to pay for more beneficial and constructive activities like improving training for people in our country. This could be so until a new government is elected and we can get rid of the GST in this country.

It could improve the transfers to the provinces so that our health care system is not under threat. It could improve help to education so that our young people get the kind of educational support that they deserve and that they require.

This amendment simply says that this bad tax is nevertheless generating a good deal of revenue. Let us see to it that this revenue, until we can get rid of the tax, is used to help support things which will build our country for the future like training, education, health care and the improvement of municipal infrastructure.

It is a sensible amendment. It is an amendment which will make it possible for governments in the future in this country to see to it that they will start off with a better situation than the situation that the Conservatives are going to otherwise leave the next government in Canada.

Conservatives in this present government are creating incredible damage to our health care system, education system, training systems, regional development programs, resource strategies and farm communities across this country.

In area after area across this country this government is destroying the basis for future economic growth. What we are saying with this amendment is that until this government is replaced, and we hope we replace it so we can get rid of the GST, let us at least see that the revenues from this tax are used for something more creative than simply paying off interest costs.

Let us see that the revenues are used to help people. Let us see to it that people and the problems they face across Canada get the kind of attention which they should be receiving from this government. I cannot understand why the government would bring in a bill like this and waste the time of the House with respect to it. But if it at least accepts this amendment and permits the revenues from this bad tax to be used for something constructive, creative and useful until we can get rid of the tax then this would be something of a positive step on the part of a government which has taken far too many steps backward instead of forward.

• (1320)

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, we have been sitting here listening to a string of socialists speak this morning on the goods and services tax. I think the Canadian people know full well that the NDP members of Parliament and their party are opposed to the goods and services tax.

When we ask those in the NDP how they will replace the income from the goods and services tax, my hon. friend from Kamloops says: "We are going to increase taxes in other areas to replace it". They are probably going to tax the corporations out of existence because they will not be able to compete with other corporations and their tax bases around the world. Those in the NDP are going to tax inheritance and they are going to tax this, that and the other thing. If Canadians took the time to assess this, they would find very quickly that in no way, shape or form would those types of taxes make up the difference required for the goods and services tax. It would not even come close. They would just be passing the tax burden on to one very concentrated part of the economy. This is foolish.

We have three provincial governments now made up of New Democrats in this country. If those in the New Democratic Party are so dead set against sales taxes, why have they not rid themselves of provincial sales tax in their recent budgets?

Let us do a review for just a moment. The manufacturers' sales tax which we had in this country was a hidden tax placed at the manufacturing level which everybody in our society paid, without a doubt. This included businesses. They had to pay tax on their business income and in their business input costs. Four Crown corporations and two studies of Parliament recommended that we get rid of our manufacturers' sales tax and go to a consumption tax. That is exactly what the goods and services tax is. That was recommended for years.

Our government absolutely knew the political risk we were taking. We knew that it would not be popular. No tax is popular. But at the same time people said to us in no uncertain terms: "We want to see where that tax money is going. We want to be able to see on the ledger exactly where the GST is going". That is what they told us in no uncertain terms from coast to coast. In every community that I visited that was the message that was given loud and clear: "We want to see the money you receive and where it goes. It is fine to hide it in the Consolidated Revenue Fund. You put it away in there". I can tell you that that is what people have told us and that is why we have this bill.

I listened to the New Democratic Party this morning very quietly without interrupting them and I made a few notes on some of the comments that were passed. They said that maybe we should take some of that tax money and put it toward this or that. One item was retraining. The government in the last couple of years has put $800 million extra into training and retraining in this country. We have done that. We talked about sewers and water for Indian reserves. It is an absolute disgrace in this country. When it comes to drinking water and to sewage

systems, we take them for granted in our municipalities. But on some of these reserves it is a disgrace. Our government has increased spending to bring those water and sewer systems up to an acceptable standard. We are spending $130 million a year over the next five years to try and bring that up to standard. We have augmented that through the green plan as well. We have added to that. We are taking care of that type of thing.

I sit here and listen to those in the New Democratic Party saying: "Don't worry about the deficit or the interest payments. Put the money somewhere else". I have news for you. When you borrow money from Canadians, as we have done, they expect the interest payments to be made. A lot of people in this country depend on those interest payments for a living. Those in the NDP here today are saying: "Don't worry about the interest payments". You have to worry about them. That is one of the responsibilities of a government. I know NDPers have not been in power at the federal level and maybe they don't understand these things but I can tell you—

An hon. member: Call an election.

Mr. McDermid: They say: "Call an election". They have been saying that for four years. They sound like a broken record over there. You will have your chance. You will have your opportunity in an election campaign and I look forward very much to campaigning in that campaign. I will assure you of one thing right now. The New Democratic Party of Canada will not form the next government. That is guaranteed. I will even bet on that. I am not a gambling man but I would bet on that.

In any event, I think it is very, very important that people understand why we are doing this in this bill. They asked for it. That is why we are doing it. They will be able to see very clearly where the money from the goods and services tax is going. There will be an audited statement that will be presented to the Canadian people each year. It is very, very important.

I challenge my friends in the New Democratic Party who this morning said that they would cancel our trade agreements and the GST. They would cancel all these things that the Conservative government brought in over the last seven and half years. You know what? They do not tell the Canadian people in any detail what they are going to replace it with. We are going to cancel the trade agreement with our largest trading partner. Even the Liberals came to their senses and said: "We may renegotiate it, but we are not going to tear it up like our former leader said we were". They have come to their senses. They realize that you cannot destroy a trade agreement that is doing good things for Canada. We never see them on the front pages of the papers. That is why they no longer are going to tear it up. They know it is doing good things for Canada.

Those in the New Democratic Party will tear everything up that they can get their hands on. We have seen what has happened in Ontario over the last year and a half with the New Democratic Party in power there. We know what is happening there.

The other point I want to make this morning is that 48 countries that we compete with have got a value-added tax. Many of them are socialist, democratic countries. They realize that it is a sensible and fair way to get a broad taxation base for their countries. They understand that and so do those in the New Democratic Party. For them to stand up here and say: "We are just going to cancel it" is nonsense. They know they would never do it. The only reason they say that today is that they know they will never be in power.

We are going to oppose this amendment. We think it is a foolish amendment and we will be voting against it.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Paproski): All those opposed to the motion will please nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the nays have it.

The motion is negatived on division.

The Acting Speaker (Mr. Paproski): Therefore motion No. 6 is on division also.

• (1330)

Hon. John McDermid (for the Minister of Finance) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to.

The Acting Speaker (Mr. Paproski): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. McDermid (for the Minister of Finance) moved that the bill be read the third time and passed.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I want to say a few words on Bill C-21. It is interesting to note that the government has decided that it is not going to get up and preach the gospel on Bill C-21. What is Bill C-21 doing? Bill C-21 is setting up—

The Acting Speaker (Mr. Paproski): On a point of order, the hon. member for Sudbury.

Mrs. Marleau: Mr. Speaker, I ask how this happened that the NDP was recognized before we were. Was there no speaker on the government side prepared to defend this bill? I am just shocked.

The Acting Speaker (Mr. Paproski): I am afraid he was the only member who was rising. Therefore, the hon. member for Nickel Belt has the floor.

Mr. Rodriguez: Mr. Speaker, how can one defend the indefensible? It is pretty difficult to defend Bill C-21.

An hon. member: I just finished speaking.

Mr. Rodriguez: Mr. Speaker, that was no defence. That was an apology for an appalling bill.

What does this bill do? It sets up a special account into which revenues from the GST and the net revenue from Crown corporations that are sold off are deposited. Why does the government want to set this up? Because it says that it wants to reduce the deficit.

I have a really difficult time understanding the rationale for establishing such a special account. Canadians understand that we have the Consolidated Revenue Fund. All the revenues of the government go into that fund and all the expenses are paid out. Then at the end we get a consolidated figure.

The fact of the matter is that on the operating account of the government it has been running surpluses of between $11 billion and $13 billion. That is, on moneys that have been taken in and moneys that have been spent, it has been running a surplus. When one applies the interest on the national debt it takes that surplus, that operating surplus and the government has to go out and borrow another $17 billion, $18 billion or $19 billion to pay the interest on the debt.

It seems to me the real problem is that we have to get those interest payments down. It seems to me the government is playing with smoke and mirrors and trying to assuage its own conscience because it brought in a very unpopular GST. It is trying to persuade and to lead Canadians into believing that somehow or other they are better off by setting up this account. It says: "Look folks, you are going to gain from this pain because we are taking this money and we are putting it into a special account. See, here we are doing it. You can see it and we are paying down the deficit and the debt."

It seems to me that if the government really wanted to do something about the deficit it would have to do something about the interest rates charged in the country.

The real rates of interest in this country as compared to the United States are still running 3 to 4 percentage points higher than our major competitor, the United States. The real interest rates in this country are a little over 4 percentage points and real interest rates in the United States are under 1 per cent.

In fact, the difference between the rates in Canada and the rates in the United States has been a traditional 2 percentage points. So we have room to lower the interest rates in this country. If we lower the interest rates it will have a direct effect on the deficit and on the debt.

In fact, we are told that for every 1 percentage point we reduce interest rates it will mean a little over $2 billion less in interest payments in the first year alone. That would increase in subsequent years.

It seems to me that if we really want to deal with this question of deficit reduction we have to deal with interest rate reduction. It is not the NDP alone that has been telling the government that interest rates have to come down further. Doug Peters from the Toronto-Dominion Bank, the chief economist, has said to the government that it must get the rates down. Business people have been saying to the government that it must get the rates down.

It is quite an irony when you think about the utilities of this country, the utilities in the provinces, going into the United States and borrowing money, using Canadian banks as a conduit because they pay less in interest rates. All that does is exacerbate the balance of payments of this country and further contributes to this national casino-type mentality.

This is a problem and the government can play all the shell games it wants letting Canadians think about how serious it is in setting this up. "See? See now? You see how much we are putting in the special account? Do you see it?"

I want to say that a government has to look at the national interests of the people of this country. For example, we are told—and this is not the NDP alone—that we have a very serious problem with respect to unemployment.

We have 1.5 million people officially unemployed. There is a drain on the economy because in fact these people draw down from the life support systems of the nation and of course there is no contribution in terms of productivity.

The government has not made that a concern. All of the premiers were consulted before the budget. I saw a graph of the suggestions they had made and they all identified the need to kick-start the economy with a municipal infrastructure fund. Spending a little over $1 billion in the first year on municipal infrastructures would directly create 63,000 jobs in the first year.

I want to suggest that this government spends all the time of Parliament playing games with people's emotions out there, having children go on paper routes to collect money, having a time clock for the deficit, and putting their little pennies they earn on their paper routes in there. At the same time, the Reichmanns and everybody else get away with paying little or no tax at all, instead of closing the loopholes.

• (1340)

The minister in his budget had the effrontery and the gall to suggest that since 1969 some of the insurance companies, large and profitable ones, have paid little or no tax at all in this country.

Confederation Life in 1990 made $106 million net profit and paid not one penny of income tax in this country. That was 1990. That was a poor year. That was a recession year, and it paid not one penny.

What does the minister in his budget say? He says: "We have to plug that loophole now". Instead of playing these shell games like you see at the fair, identify under which shell is the pea. I want to say: shell on those games.

What we want is something really meaningful with respect to reducing the deficit. The place to begin is number one: get the interest rates down.

Number two: imagine if you can put 500,000 unemployed Canadians back to work. I have not figured it out, but I am sure somebody listening will figure it out. They will be paying income tax directly, paying indirect taxes on the things they purchase. They will be productive. Imagine how much the deficit could be reduced. Imagine if that unemployment rate could be reduced to 4 per cent, would it not be wonderful? We would have no deficit at all. It would wipe it out.

This is a shell game, and I believe that this government has not made one attempt to deal with the real problems. It can deal with those without even abandoning its own Conservative ideology. All of us can agree that the whole idea is to get Canadians back to work.

The municipalities across this country are not NDPers. They represent people at the grassroots level of this country and they have said to the government: "Look, there is a need for revitalization of our infrastructure". In fact, you could see that not only in terms of kick-starting the economy and putting people back to work, but you could also see it in terms of making us more competitive down the road.

That should appeal to the mentality on the other side because those members now have a new altar at which they worship: competitivity. They even bring in guys from Harvard. They are paying them $1 million to put in print all the things that we have been saying over the years.

Now all of these prosperity committees have been set up. They have them running around the country at a cost $15 million. They have little coffee klatches to hear the same. They are washing their laundry, drinking coffee, washing it and drinking it and washing it. Do not ask me how to get in the cup after.

Instead of doing these kinds of constructive things, what we are spending time debating is Bill C-21 which says: "See, we are going to stick our finger in. We are going to pull out a plum and what good boys and girls we are over here in the government".

This is nothing but smoke and mirrors. We ought not to be spending our time dealing with this kind of nonsense.

What are some of the other things that our country really needs to put us in a position when the recovery comes, when the bugle call is out and when the cavalry comes over the hill to rescue the economy, what do we need to emphasize, apart from ensuring that our infrastructure at the municipal level is there? We need a trained work force. All the Tories ever do is talk about training.

They eliminated the Science Council of Canada. That was a body that could take the pulse of where we are in terms of scientific training and technological training. That is gone. They have eliminated that, they do not want to hear bad news. They should be taking a good hard look and putting some money into training Canadians so that they can be better equipped to deal with the changing economy. They have not done that. They do not want to talk about that and we are going to talk about it over and over again interminably.

There is also the question of the social programs of this country. Unlike the Tories and their mind-set on this matter, I believe that the social programs of this country make the workers and the people of this country more competitive. It is certainly a competitive advantage.

I will tell members of an experience I had. I was with the consumer and corporate affairs committee in Washington to look at credit card interest rates. While there, I got talking to a worker who was serving a luncheon. I asked the worker: "Tell me, do you have medicare coverage?". He said: "No, sir, I do not have medicare coverage. I cannot afford it.". It costs them something like $350 a month to be covered. He said: "I cannot afford $350 a month to be covered.". I said to him, because now I want to prove the psychological effect of this: "Do you worry about this?". He said: "Sir, I worry about it all the time because if I get injured, if I get hurt, if I get sick, it would wipe me out completely.".

An hon. member: What about his children?

Mr. Rodriguez: This was a single person. How can any person, working on a job that requires attention, requires commitment, be worrying about his health coverage and his health care and be able to be productive in the accomplishment of the tasks that he has to do?

That is one of the advantages our system has and every one of these programs, whether it is old age pensions, whether it is family allowances, whether it is unemployment insurance, are all designed to be a safety net for people.

These things have to be seen for what they are. They are competitive advantages. Not only are they protection for Canadians, they also provide an advantage. Instead of bolstering and strengthening these programs, this government is out to destroy them. This election cannot come too soon because they are on the road to destroy medicare. I want to tell Canadians that.

You just have to watch Don Getty in Alberta and what is happening to the medicare program in Alberta. The Tories are going to extrapolate that from the provincial level right across the country.

We have the spectre of the Liberals. We saw a Liberal in New Brunswick suggesting that maybe universality and medicare are something we can no longer afford. We have a Liberal government in the province of Quebec that is attempting to bring in user fees. The Liberals have no more commitment to the universality of social programs than the Tories have. Let us not kid ourselves.

My fear is well grounded because we have seen them doing it. We seen them do it with family allowances. They attempted it when they first got into office by trying to deindex old age pensions. We saw that with the clawback of the old age pensions and we see that all the way. They are eroding the design to make us more like our cousins to the south. We must have their consumer patterns. We must have their music and their cultural

patterns. Their big Hollywood movies are going to be our big Hollywood movies.

• (1350)

They will not even protect our cultural heritage in this country. Try to get a Canadian movie shown in our theatres. Hollywood made sure of that. Jack Valenti made sure that the government got lobbied. Flora MacDonald promised that she would bring in legislation that would ensure that Canadian-made movies about Canadian life would be shown in Canadian theatres. In fact, we have no more Canadian movies than we had before she made the promise.

They are selling out all the time. Why? Because they worship at an altar that is different. It is an altar that is not rooted in the people of Canada. It is foreign to the people of Canada. It has its roots in the boardrooms of the nation, not in the bedrooms of the nation.

That is where that whole neo-Conservative agenda this government has been taking the Canadian people. They want us to be more like our cousins to the south where the only thing that matters is the buck you can make. They do not give a damn about the person who lives beside them or the person who sits beside them. They will look after themselves and the devil can take the rest of them.

That is the attitude, a selfish atavistic attitude. That is returning to the past. The movement that I am part of, the New Democratic Party, recognizes that we are our brothers' keepers and therefore we have a responsibility to our brothers and sisters. We are the keepers of each other's concerns.

That is what we have built in Canada. We have built a society. Look at all of the things we have built; the social programs, the credit unions, the co-op movement, co-op housing, the way fishermen work in co-ops, the farmers, this is the kind of society we have built.

This government is chipping away at it, gradually destroying it, day by day. It has brought in Bill C-21 that says we will put all the money we make on the GST into servicing the debt. Of course, the next line it will sell to Canadians is: "You can reduce the deficit even further if you let us increase the GST". That is the next step.

We have argued against the GST. We have always said that these consumer taxes should be left to the provinces since the federal government has a greater ability to tax and the provinces are restricted. After all, the provinces gave up income tax to the federal government. If you recall it was only on a temporary basis during the second world war. What was temporary then became permanent.

We recognized that the provinces' way of raising money would be through consumer taxes. We call them provincial sales taxes. There was an understanding that that area would be left to the provinces. What happened? The federal government moved right into that area and has its own sales tax. What has it been doing to the provinces? It has been blackmailing them, threatening them that if they do not integrate the provincial sales tax with the federal sales tax, it will not collect the sales tax on consumer goods brought across the border.

Ontario loses anywhere from $300 to $400 million because the federal government will not collect the provincial sales tax at the border. This government says to the province: "If you want us to collect it you have to integrate the rest of it."

What a way to run a Confederation. What happened to the co-operative spirit of Confederation? Is this the kind of spirit that breeds harmony when you sit around the table to discuss the Constitution? Is this the spirit that motivates give and take at the constitutional negotiating table? Is that the spirit?

An hon. member: Do as I say, not as I do.

Mr. Rodriguez: It is the old Trudeau approach. The confrontation of federal-provincial relations is being continued. It is not an amelioration of differences. It is not give and take. That was Trudeau's approach and here it is being continued by these neo-Conservatives. It is a sad commentary.

Here is the province of Ontario and all the other provinces in very rough economic times. I do not buy this garbage when they now run around and say: "This is an international recession". When we had Dr. Crow and Dr. Wilson before us, the Conference Board of Canada said that this was a made-in-Canada recession.

An hon. member: It is the only thing they have made since they have been in power.

Mr. Rodriguez: Look what the government did. It squeezed, taxed, purged, bled and gouged until now we have an inflation rate of less than 2 per cent. It is a very successful operation but the patient is dying.

We have wrestled inflation to the ground and it is less than 2 per cent, which means there is no growth going on. Yet we are playing these little games with Bill C-21, telling Canadians: "See, look, we are responding to what you said." We know that 11 per cent of you said: "Well at least if you are going to put a GST on, it should be used to reduce the deficit". That is the 11 per cent you know.

I am hearing the Ayn Rand from the Conservative Party saying something. She should get up and make a speech. The "Dorothy Rand" of the Conservative Party should get up and make a speech. I have never known her to be speechless.

An hon. member: Very right wing.

Mr. Rodriguez: There they are, playing with Bill C-21 because their 11 per cent says to them: "We will accept the GST if you put it into deficit reduction." Remember, the operating accounts of this government run a surplus and that means every year this government takes in $11 to $14 billion more than it spends.

Mrs. Dobbie: Good for us.

Mr. Rodriguez: It is the interest.

Mr. Barrett: The interest?

Mr. Rodriguez: Yes, that is right. But in fact, because the interest rates are kept high, and I said at the start that we can drop those interest rates another 1 to 2 percentage points, and it would reduce the deficit, but I do not see how this is doing anything at all to alleviate people's problems.

In fact interest rates have to come down. You cannot escape it by saying: "Well we do not interfere with John Crow. He is independent."

It is an interesting fact that John Crow is more popular in economic circles in Europe than Brian Mulroney. Did you not know that? They love him. He walks on water. They hold him up. They love him. Why? Because they can trust that he will stay the course, keep those interest rates high, keep the Canadian dollar high, so all of the international casino gamblers can come here and play the "Rantier" economy in Canada. We do not need to legalize casinos in any province, they can play them right here on the money markets.

Mr. Barrett: Pay for their villas in Switzerland.

Mr. Rodriguez: That is right. That is the farce of it all. They love this guy Crow in Europe. They think he is the best thing since sliced bread.

Mr. Skelly (Comox—Alberni): They crow about him.

• (1400)

Mr. Rodriguez: Finance ministers can come and go. Prime Ministers can come and go, but keep Dr. John. Okay? Keep him there. Keep the crow flying. That is right. This is the result of it, so this government ends up just fiddling around the edges. It is playing shell games, smoke and mirrors, now you see it now you don't.

In conclusion, I want to say that this government cannot escape its responsibility. You can try to fool some of the people some of the time but that other 89 per cent you cannot fool. They are going to come back to haunt this Tory government.

I appeal to all the Tories in the back benches, at least in their self-interest to get back here. You cannot get back here if you keep supporting these cockamamie ideas that come out of your front benches. I am saying to all of you, and I know you are not here but you are watching me, all those Tories who are good friends of mine in the back benches: Come down to the House.

An hon. member: Explain yourself.

Mr. Rodriguez: I am going to explain myself.

An hon. member: You are a real Christian.

Mr. Rodriguez: I try to do missionary work among the unconverted.

An hon. member: I know that.

Mr. Rodriguez: I know that I have good friends in the back benches of the Tory caucus and I want to say to them it is time they started exerting some influence on what the front bench is doing to them.

It is bills like these that keep you mired at 11 per cent. It is the lack of any kind of affirmative action with respect to the economy of this country, bringing interest rates down, kick-starting the economy with the municipal infrastructure, refurbishing the municipal infrastructure. That seems to me where we have to go.

Remember, as Michael McCracken says, the cost of doing nothing is not zero.

The Acting Speaker (Mr. Paproski): Has the hon. member finished his debate?

Mr. Rodriguez: Yes, Mr. Speaker.

The Acting Speaker (Mr. Paproski): It being two o'clock p.m., the House will now proceed to statements by members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CANADIAN DIETETIC ASSOCIATION

Mr. Al Johnson (Calgary North): Mr. Speaker, March is the month of the Canadian Dietetic Association's national nutrition campaign. Its 1992 theme is "Challenge the Nutrition Myths".

The goal of this year's campaign is to help consumers sort out facts from the fictions behind common nutrition myths. During the campaign consumers will be given reliable information to assist them in making positive choices for healthy eating.

I am delighted that the healthy eating messages of the campaign are based on collaborative work initiated by the Department of National Health and Welfare to develop and implement guidelines for healthy eating.

I congratulate the Canadian Dietetic Association and its provincial and territorial associates for their work on behalf of national nutrition month.

Mr. Speaker, let us all junk junk foods.

* * *

FISHERIES

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, today Canadian fishermen are making an important declaration on the nose of the Grand Banks. They are saying that Canada should manage all fish on the Grand Banks, no matter where they swim.

This is a courageous act, born of desperation. The fishermen know that the promise by the Government of Canada to put fish on the table at the UN Conference on Environment and Development in Rio de Janeiro next June will do little to protect the northern cod.

Global resources can no longer be managed according to artificial political boundaries.

If future generations of fishermen of all interested nations are to have a chance at earning a living off the Grand Banks, Ottawa must move swiftly to convince the international community that the fishery must be protected.

We can do it alone or we can do it jointly. This is an emergency. It calls for emergency measures. The survival of the northern cod stock and the economic survival of Atlantic Canada is at stake.

Is the Government of Canada prepared to fish or just to cut bait?

* * *

THE ENVIRONMENT

Hon. David MacDonald (Rosedale): Mr. Speaker, within nine weeks the largest ever summit will take place, bringing together more than 100 world leaders in Brazil in June to look at the planet's future, the future for the 5.4 billion inhabitants who are already here and almost double that number that will be here when my 12-year old son reaches my age.

Last Friday the Prime Minister announced that he would attend that summit and lead the Canadian delegation in dealing with a number of issues, including the one just raised by my colleague, the member for Davenport.

We should remember that as Canadians we are trustees for the largest land mass in the world, the largest coastline, the largest supply of fresh water and 10 per cent of the world's forests. We have a great deal at stake in the Earth Summit to be held shortly.

Right now, in New York, we are in the final days of negotiating a new global bargain and partnership. It will require vision, it will require courage and it will require dedication.

We trust that Canadians will support the Prime Minister and the other members of the delegation in achieving this new global pact.

EXPO '98

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, the world has come to recognize Canada as being a generous host of world expositions.

Last Friday I met with a group dedicated to bringing Expo '98 to the city of Toronto. The project already has the backing of four levels of government, the support of labour, private enterprise and approval by the local community.

The Expo '98 Bid Corporation is proposing to host the event on a spectacular waterfront location in the Parkdale region, just a hop, skip and jump from the amenities offered by downtown Toronto.

Toronto offers hotel accommodation for 68,000 visitors per night; a safe and comfortable public transit and subway system; a highway network which provides road access to 140 million people within a one-day drive of the city.

I call on the members of the international community to strongly consider the beauty and the benefits of Toronto and support Canada's bid for Expo '98.

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SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, today I am leading a delegation of New Democrat MPs to Washington, D.C. to tell the Bush administration that the U.S. tariff on Canadian softwood lumber is unfair, unjustified and hypocritical.

We are meeting with the leaders of the campaign to keep our Canadian lumber out of the U.S. market. We are going to tell them that their campaign does not help their industry, hurts American consumers and threatens to deepen a recession affecting all of North America.

We are meeting with people south of the border who are being directly hurt by the tariff to enlist them in our fight against this vexatious harassment. We are taking the message that this attack on Canada is unacceptable because the Tory government has not been able to get that message through.

When you want something done, call the New Democrats.

[*Translation*]

BILL C-13

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, in an article under the heading "The So-Called Strike Against Provincial Jurisdictions by Ottawa", published in *La Presse* on March 28, 1992, reads in part: "As regards bill C-13 on the environment, the federal government has as much right as the provinces to legislate in that area of shared jurisdiction."

Then further on: "Moreover, I think that this bill is not so much the result of an irrepressible urge on the part of Ottawa to interfere in that area (it is no more dedicated to that issue than other levels of government) as of a ruling by the Supreme Court of Canada recognizing its right to get involved in that area and pressure from environmental groups. It must also be mentioned that federal environmental assessments can only be carried out when a project involves one of these two jurisdictions or when the federal government provides financial assistance for a provincial project. Why would Ottawa try to stop a project it is prepared to support with money provided there is no evidence of the provincial government being too lax with environmental issues? Would the fact that Quebec's record is far from ideal in this respect have anything to do with it opposing that bill?

* * *

[*English*]

HISTORIC SITES AND MONUMENTS

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, in September 1991 I tabled a private member's motion urging the government to recognize the efforts of past Prime Ministers by placing a marker at their place of burial. Since that time I have received numerous letters of support from members from all sides of the House and many Canadians.

Today I am pleased to advise the House that the first step has been taken by the government to advance this proposal. In recognizing the valuable contribution that this project would make to public education, the Historic Sites and Monuments Board has recommended that the proposal proceed.

I would like to thank the Hon. Jean Charest, Minister of the Environment, whose personal intervention and commitment made this decision possible. The commitment to Canada by members from all three parties has

been demonstrated in the generous and non-partisan support obtained for this proposal.

I believe it is important to recognize those whose leadership has made this country one of the most desirable places in the world in which to live.

* * *

SPORTS

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, once again I rise in this Chamber to ask our colleagues to join us in congratulating Canada. Canada was represented by the men's fastball team which won the world championship on the weekend, winning all 10 games played in Manila, Philippines. This repeats Canada's world title of 1972 which was also won in Manila. Canada, as represented by figure skaters Kurt Browning, Elvis Stojko, Lloyd Eisler and Isabelle Brasseur, also won world championship medals in Oakland, California. We are proud of all these athletes, their coaches, managers and officials. Like the Alberta Ladies Hockey Team that won the Canadian championship in Edmonton, they are all truly outstanding Canadians.

* * *

• (1410)

[*Translation*]

LANGUAGE MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the purpose of section 23 of the Canadian Charter of Rights and Freedoms is to eliminate barriers to minority language education. It puts all language minorities in Canada on an equal footing, safe from the abusive action of provincial legislatures, and gives all language minorities access to education, so as to resist assimilation. Nevertheless, right here in Ontario, not far from the national capital, some children aged five to nine must travel four hours by bus a day, Mr. Speaker, because the Lanark-Leeds-Grenville school board refuses their right to attend school in French where they live. This kind of treatment is unjust, unacceptable and outrageous.

The Conservative federal government, this false protector of language minorities, abolished the Court Challenges Program, which would have given these children's parents a chance to exercise their legal and educational rights. As Canada is preparing to renew its Constitution, here are two shabby and painful examples of the place that the provinces and the federal government reserve for minority language rights. Corrective action must be taken right away, Mr. Speaker.

* * *

[*English*]

EMPLOYMENT EQUITY

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, a federally funded apprenticeship course is starting today at the Southern Alberta Institute of Technology, but women need not apply. Apparently, Premier Getty's Tory government decided to target men between 20 and 24 as one of the fastest growing groups of welfare recipients. So 30 men will receive 18 weeks of training in cabinet making, welding, appliance repair, cooking, baking and auto mechanics.

Ironically, federal employment equity legislation requires employers to hire women in some of these kinds of jobs. Some would say it is hypocritical of the government not to be leading the way by training women for non-traditional occupations.

Perhaps it is realistic. Some would say it is pointless for the minister of employment to train women on welfare for jobs they will never be able to take because the minister of health and welfare has ensured that there will be no child care spaces.

Maybe someone should explain to the champion of Triple-E, who is trying to make Alberta equal to Prince Edward Island, what equality really means.

* * *

HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I recently asked my constituents for their ideas on how Canada's future could be made brighter. Chris and Louise Sharpe of Acton wrote:

> Devise a method to make the system more accessible to the truly needy, and filter out the people taking advantage of the system. We don't mind paying so many taxes, as long as the money is being used to good ends. Show that the government is willing to build a strong Canada and increase loyalty.

Mr. S. C. English of Bolton wrote:

> Settle the Quebec and aboriginal questions and get on with running the country. Rule out-of-order any MP making ludicrous, irrelevant statements instead of asking legitimate questions in Question Period.

Finally, Hugh Fraser of Georgetown writes:

> In general I think the future is bright and exciting for our country. The opportunities are great—it's just up to each one of us to take advantage of them. You can make the future brighter by making sure we stay united.

Mr. Speaker, I thank you for the opportunity of bringing my constituents's voices to Parliament.

* * *

AVIATION INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I rise today to salute the front line safety personnel in the aviation industry. The flight attendants, the men and women who provide the services on the aircraft, are there not to bring us coffee and tea but to make sure that we are safe all the time we are in that aircraft.

Justice Moshansky recognized that in his report released last week. That is why he called upon the government to bring forward legislation or regulations to protect their hours of work so that during the whole course of their time on the job they are alert and able to serve us in the safety aspects.

Unfortunately, instead of enacting regulations which it now has the power to do, the government chose to shift responsibility to the Dryden Commission Implementation Project, a good way of burying the problem in bureaucracy.

I call on the government to change its mind, to put together a ministry-union group right now to draft those regulations so that those flight attendants have some protection.

* * *

TELE-CANADA NEWS INC.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, a young Canadian company, Tele-Canada News Inc., has launched a daily news service for Canadians. The company is based in Montreal and produces a half hour TV program that is beamed to Florida by satellite seven days a week. This program entitled *The News from Canada* opens with the first four bars of *O Canada* and gives our Florida snowbirds the day's general business, sports and weather news from Canada.

It is good to see Canadian initiatives responding to and succeeding in the international marketplace.

* * *

EMPLOYMENT

Hon. Alan Redway (Don Valley East): Mr. Speaker, last month the unemployment rate in Canada was 10.6 per cent, up 3.1 per cent from two years ago.

The Department of Finance says that a 1 per cent increase in the rate of unemployment increases the federal deficit by .6 per cent of the value of our Gross Domestic Product because fewer Canadians are paying taxes and more are receiving unemployment benefits and welfare payments.

Since our Gross Domestic Product is $700 billion, a 3.1 per cent increase in unemployment increases the deficit by more than $13 billion.

By instituting a $13 billion municipal works program for much needed infrastructure such as transit, roads and sewers, we can cut unemployment by 3 per cent without increasing the deficit. This is another way, as the Minister of Finance said in his budget speech, we can create jobs in a fiscally responsible manner while at the same time recognize the important contribution that adequate infrastructure makes to our competitive position.

* * *

ENTERPRISE CAPE BRETON CORPORATION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the Minister of Finance announced in his last budget that Enterprise Cape Breton Corporation would be eliminated. This has left employees and all Cape Bretoners wondering what will be left once this corporation is eliminated.

The demonstration farm owned by Enterprise Cape Breton Corporation and located at Point Edward has proven to be extremely valuable to Cape Breton farmers. With minimal cost to the taxpayers of Canada, studies done at the farm focus on crops, equipment and animals and their suitability to the Cape Breton climate. Let me assure the House that the experience gained at this farm cannot be duplicated on a mainland farm of the same type.

Cape Bretoners have borne the brunt of the cutbacks and lay-offs implemented by this government. Surely they cannot expect us to accept that the closure of this demonstration farm will have a positive impact on Canada's fiscal situation.

I would urge the government to examine the social and economic benefits of this project and assure Cape Breton farmers that this farm will remain as an integral part of the economy of Cape Breton Island.

* * *

CONSTITUTIONAL REFORM

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on Saturday, March 28, the premier of Alberta, Don Getty, outlined his government's position on constitutional reform.

I would like to quote from that address: "I will not endorse any concept where everyone else's interests are looked after and the west gets shafted. I won't agree. I just won't sign. People had better understand that when they threaten Alberta, when they insult us because we are sticking up for a Triple-E Senate, those people had better understand that Alberta will have the nation at heart but Alberta will also stand up for itself".

Mr. Getty referred to a constitutional elite that wants a pre-ordered package of reforms entrenched in Canadian law. He continues: "I fear that at times the national debate in Canada has been taken over by people who think they know best and don't trust the real people of Canada to participate".

I fully support Mr. Getty's position that the principle of equality be reflected in Senate reform as well as in the constitutional amending formula.

ORAL QUESTION PERIOD

[*English*]

FISHERIES

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a question of the Deputy Prime Minister.

Today seven trawlers with 150 fishermen are sailing to the nose and tail of the Grand Banks to tell the fishermen from the European countries, the 95 ships that are taking cod there, that they should not do that. The fishermen will do to them what the government could not do internationally: to say that it is in the best interests of everybody to preserve the cod stocks in that area.

Is it the intention of the government to introduce a piece of legislation soon to extend the custodial management responsibility of Canadians to the nose and the tail of the banks as we are the custodians of the stock within the Canadian waters?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. minister of fisheries will be in the House at a little later time.

All I can say at this particular time is that the position of the government remains the same. Perhaps the hon. Leader of the Opposition may want to defer his questions until a little later on in Question Period. I am sure he will be here.

• (1420)

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the Secretary of State for External Affairs was ready to answer the question and we are willing to take her answer. If she wants to say yes, there will be no problem, we will move on to something else. But I can see that she is afraid because the minister of fisheries is in the House. I will repeat my question to that minister.

I just want to know from the minister of fisheries if he is embarrassed a bit to see the fishermen having to go to the Grand Banks to do what the minister has not been able to do: to tell the Europeans that it is the responsibility of everybody to protect the cod stocks there, and if this government has the intention of introducing a piece of legislation that will extend the custodial management responsibility of the Canadian government to the nose and the tail of the Grand Banks so that we will have fish for our Canadian fishermen in the future.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the hon. gentleman certainly finds solutions to be much simpler when he is in the opposition, because when he was in government it took that government about 12 years to achieve the Law of the Sea Convention. During that whole period it never unilaterally extended the economic zone out to 200 miles, but now that they are in opposition the solutions are very simple.

Since January 1989 I have been and the government has been bringing this matter to the attention of the governments of the European Community, Spain, Portugal and around the world. We are continuing our efforts.

We congratulate those who are making this demonstration. I have written them of my support and have given them some tangible support as well, something to help the crews along when they get back to shore. I suggest the hon. gentleman do the same.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to tell the minister that it is very easy for him to do something very simple: to sign this international agreement, which is something the government has refused, to make sure we have jurisdiction there.

Ms. Copps: The Law of the Sea, which you still haven't signed.

Mr. Chrétien: I would like to tell the minister that the government should do that. I want to ask him if he is aware that in 1971 we were the only ones to recognize that there was a danger with pollution in the Arctic and unilaterally we passed a law in this Parliament extending our jurisdiction over Arctic waters. Since that day the international community has recognized that we were right.

If we were to do the same thing today with the cod problem at the nose and the tail of the Grand Banks, the international community would recognize that we are doing what is needed to protect the stocks not only for Canadian fishermen but for the fishermen of the world.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I recognize that in 1971 the government took an initiative to extend jurisdiction with respect to pollution in Arctic waters. There were no other ships of any country in those Arctic waters at the time that was done. The only country that could possibly be affected was the United States. They were spoken to first and arrangements were entered into with them so that they would not object too vigorously.

The situation is not comparable to an international area where many nations are now fishing on the high seas in that zone there already. It is not comparable, but I remind the hon. gentleman that in 1972 his government signed a treaty with France which gave it fishing rights forever, without any time limit, within Canadian waters. We are still suffering the results today of that treaty signed in 1972. In 1977 the hon. gentleman's government signed an arrangement with the European Community and gave it the right to fish thousands of tonnes of cod in our waters until we let that die, until we finally got rid of it in 1987.

I would not refer to his record, if I were him, without checking the record first.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I think the minister's ignorance is showing. The fact is, whether he likes it or not, the French have territorial rights in the gulf, and the Portuguese and the Spaniards do not. I would ask the minister to act responsibly in order to preserve the resource within Canadian waters. At this very moment, Canadian fishermen cannot fish for cod, while 95 foreigh ships are taking the stocks Canadians will be unable to catch this summer.

[*English*]

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, we have to keep this in perspective. There are foreign vessels fishing cod and other species outside the 200-mile limit, and no country that I am aware of recognizes as yet the rights of a coastal state to exercise any jurisdiction over fishing beyond the 200-mile economic zone.

We now have a resolution before the United Nations environmental conference to that effect backed by 40 other nations. We are pushing that vigorously, which is the proper way to go. If all these efforts do not result in meaningful progress then we will examine what other options there are.

In the meantime I remind the hon. gentleman that in 1982 his government allocated to the European Community 8,000 tonnes of non-surplus 2J,3K-L cod; 6,500 tonnes of 2G-H cod; and 7,000 tonnes of squid. We were lucky there was anything left out there by the time his government was pushed out of office in 1984, and he gets up in the House and question our policy.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, why is the minister so tender on this issue? Why is he dragging in all those red herrings? He is the one who has those fishermen out there twisting in the wind. What has he done? For example, has he today seen to it that the ambassadors in Brussels, Lisbon and Madrid are meeting with their opposite numbers to reinforce the urgency of this situation? Instead of bafflegab, why does he not tell us what he is doing for those fishermen?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I am delighted to see the renewed interest in this question by the hon. gentleman. I appeared before the standing committee on fisheries a week ago last Thursday. There was not a Liberal member for Newfoundland who turned up, so I am delighted.

Mr. Speaker: The hon. minister knows that it is improper to announce that to the House.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, the minister is improper. He says he has been on to this issue since January 1989. The foreign fishing had been going on for four years before he opened his mouth on the issue. Where was he during all those committee meetings for those four years?

He talks about a resolution in June down in Rio somewhere. What will this resolution do? If the resolution does not succeed in getting the international community to come to its senses on this one, would the minister now give notice that he intends as a government to take unilateral action to save those stocks while there is some left to save: take the action, go out there and take over management of the nose and tail of the Banks? Will he answer that question?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, this government has taken unilateral action after unilateral action in this matter and will continue to take unilateral action.

Here is a unilateral action: this is the resolution we have before the United Nations. It was conceived at St. John's, Newfoundland two years ago when the hon. gentleman was not thinking much about this issue. It was not popularized so much. This gives the principles that we say should apply to straddling stocks so that the coastal state has management rights over the straddling stocks.

If this is accepted by the international community, and any action can only be effective if it is accepted by the international community, this problem will be resolved. We cannot answer whether or not it will be accepted, but the Prime Minister himself is leading our delegation to Rio to make sure that it gets full attention at Rio.

Some hon. members: Oh, oh.

Mr. Crosbie: The hon. gentlemen have been pleading that the Prime Minister get personally involved, and I can assure them he is personally involved.

* * *

[*Translation*]

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Deputy Prime Minister.

During the Canada–U.S. free trade talks, Canadians were very concerned about a plan to send great quantities of fresh water to the United States.

The current draft agreement, however, includes pipelines which could carry water to the United States and Mexico. Obviously, Canadians do not want to pump great quantities of fresh water from Canada.

Is it the government's policy to make it easier to send great quantities of fresh water from Canada to the United States and Mexico?

• (1430)

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): No, Mr. Speaker. My hon. friend is very much aware of the water policy of the Government of Canada which does not allow that. It does allow for the export of water in containers, water in bottles and that sort of thing, but not diversions of water or the sale of water in great quantities, to use her words.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, if this is the case, it is going to be hard getting all those little bottles of water into those pipelines which are non-energy pipelines which are proposed in the draft text we have seen of the NAFTA trade deal.

When it came to culture the government also said that culture was not on the table. When it did not give away culture through the front door, it seems clear from recent reports that this government facilitated getting it through the back door.

I want to ask the minister, in the case of water exports is the government's policy to facilitate water exports? If it is not, what is the government's response to the section of the draft proposal that proposes non-energy pipelines? Are these pipelines for bottled water? Are these pipelines for orange juice or in fact, is this government looking at pipelines through the back door to transport Canadian water in large quantities to the United States?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me caution my hon. friend about pulling things out of a text that is two months old.

What I said in my first answer is the position of the Government of Canada and the policy of the Government of Canada that governs the export of water. Water in bottles is allowed to be exported. Water in large amounts and particularly diversions, is not allowed to be exported.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, to the Deputy Prime Minister, while the government has said during previous trade talks that it would protect auto workers through trade deals, it did not; it would protect forestry workers, it did not; it would protect Canada's culture, it was not protected.

Therefore, I want to say it is clear on every account and evidenced by the fact that the government has not put forward any impact studies on either of the trade deals, that these trade deals have failed.

Will his government stand up for Canadians for once, act in the interests of Canadians and stop the talks on the Mexican trade deal? If not, stand aside and call an election on the issue.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is talking about industries that have not been protected. She knows that what she has said is not true.

She spoke about the automotive industry. The auto pact is still in place. She knows perfectly well that culture is protected under the free trade agreement. In forestry she is worried about the softwood lumber issue. She knows perfectly well that is subject to the memorandum of understanding which was not part of the free trade agreement.

I listened to my hon. friend from British Columbia, the trade critic for the New Democratic Party. He said he asked the previous minister on many occasions whether there was any company that had invested in Canada as a result of the free trade agreement. This was on television last night. He knows. He has heard my predecessor as well as me, read off the names of companies that have been investing in Canada as a result of the free trade agreement, companies that have benefited. Let me read them—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member for Willowdale.

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PRINTING INDUSTRY

Mr. Jim Peterson (Willowdale): Mr. Speaker, printing is Canada's fourth largest industrial employer. Since free trade, U.S. customs harassment based on country of origin markings has cost our printers $160 million in lost exports and 1,700 jobs. Canada's printers cannot wait for a North American free trade deal, they need action now.

I ask this minister, will this government act immediately to toughen Canada's customs enforcement regime against American printers? Will it act now to give Canadian printers a level playing field?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I would be happy to take that matter up with my colleague, the Minister of National Revenue.

My hon. friend is aware that this is an issue that we have been looking at and there may well be ways that we can enforce our customs requirements in a more aggressive fashion. But one of the things that we have to be conscious of here is that customs requirements work both ways. There are a number of our printing companies that are endeavouring to get into the United States as well.

Mr. Jim Peterson (Willowdale): Mr. Speaker, the minister says he has been considering this issue. This government was first informed of this problem four years ago. Furthermore, in the government's industry study signed by this minister it was admitted that the free trade agreement has caused problems for Canadian printers.

So I put it to the minister: just how much longer are Canadian printers going to have to be beaten up by the Americans before this government acts?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): As I said, Mr. Speaker, I propose to raise that with my colleague, the Minister of National Revenue, who, as he knows, is out of the House today on government business.

In answer to his question, my first answer still stands.

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NORTH AMERICAN FREE TRADE NEGOTIATIONS

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, with the United States clearly controlling the timetable of the trade negotiations with Mexico and Canada, the ratification this year of an agreement now seems increasingly unlikely.

Is the government prepared to leave the negotiations in limbo until the issue is decided by some future U.S. administration? Or given the work already completed, would the government participate in a separate Canadian–Mexican deal as a senior Canadian trade official said last May?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, our objective and the objective of all three countries is to proceed quickly with negotiations.

We are going to be having a meeting of the trade ministers from the three countries next Monday, Tuesday and Wednesday. At that time, we will be reviewing the status of the main outstanding issues. This will not be the final meeting of the negotiations by any means. That will give us an up–to–date status of the negotiations. At that stage, we hope to give direction to the negotiators.

The timing of this as it relates to the disposition of the U.S. Congress to deal with the matter is still very much up in the air as my hon. friend probably saw in *The Globe and Mail* article this morning. It is something that we are following very closely.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the question of timing raises a further question, as the minister knows full well, of what happens if the trilateral negotiation remains in limbo.

Last year the Mexican Ambassador to Canada raised the possibility of a separate Mexican–Canadian agreement in the event that the trilateral deal is stalled in Washington. A Canadian trade official endorsed that proposal and noted that in Canada it would be received with interest.

Is the minister saying today that he regards that as an option if the trilateral agreement becomes caught up in the U.S. presidential election?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the U.S. presidential election is in early November. The conclusion of the fast–track authority that the U.S. Congress is operating under is February 28, 1993. So my hon. friend has asked a somewhat hypothetical question. I just draw to his attention that there are a few months within that period where the matter could be dealt with if there is an initial agreement.

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FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, it does very little to help the fishermen who are going out beyond the 200–mile limit to try to impress upon the world the ecological disaster that results from this foreign overfishing. The Liberals blame the Tories and vice versa. The Liberals know about the Economic Council of Canada report in 1980 and the Kirby report in 1982 with which they did the same as the Tories have done, nothing.

The question is where do we go from here? Has the Minister of Fisheries and Oceans considered going to the North Atlantic Fisheries Organization meeting and proposing some measures that would strengthen that organization and give it the teeth that it needs to police its own members?

• (1440)

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I am delighted to see this interest from the land-based New Democratic Party on this issue.

An hon. member: What about B.C.?

Mr. Crosbie: Mr. Speaker, I do not like being interrupted; I know the House wants to listen to me.

In the past, we have already put suggestions before NAFO that the objection procedure which allows the member to object to a decision which does not apply to him be changed.

We have before NAFO now many suggestions including suggestions to improve surveillance and enforcement and the placing of observers in every vessel that fishes the nose and tail of the Grand Banks. We have proposed an international observer force. We have proposed a hail system under which all catches would be reported when the vessel left from one zone to go to another zone, aerial surveillance, and a whole host of other measures.

We already have before NAFO many suggestions that would put in place an effective surveillance enforcement system which is badly needed because the EC does not know what its own member nations are doing. They do not properly report to the EC as it revealed in a report on its own internal waters just a week or two ago. It simply does not know what its member states are doing.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I appreciate the minister answering the question, when he did get to it.

With respect to the United Nations Conference on the Environment and Development, I understand the Prime Minister intends to appear at that conference. In the event that the resolution the minister talked about earlier this afternoon is not accepted at that meeting, is the Government of Canada prepared to ask for international co-operation for a unilateral campaign by Canada to save those stocks beyond the 200-mile limit?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, that is exactly what we proposed. We think that the only effective way to achieve results is to get at least a good majority of the world's nations on our side with respect to the need for straddling stocks to be managed by the coastal states. That is the way we are proceeding, by persuasion, which is the diplomatic way of proceeding.

If all our efforts bilaterally and multilaterally, which have been under way for two or three years, do not result in effective progress in that manner, then we will have to consider what other options we have.

Quite obviously, no one country can force all of the other countries of the world to change their position with respect to the right of navigation in the high seas and the present international regime took many years for us to reach that point. We are trying to proceed by persuasion. If we are able to show the rest of the world in a few months time that we made every effort to do it this way and still nothing happens, then we may have to have recourse to other methods.

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AVIATION SAFETY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Deputy Prime Minister.

Is it the view of the government that concerns within the Department of Transport about its ability to ensure compliance with safety legislation, regulations and standards should be brought to the Minister of Transport for review and action or is the government prepared to leave safety to lower levels of concern?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I appreciate and I welcome the hon. member's question and his continued concern for and commitment to safety in transportation in Canada.

For the record, the minister publicly acknowledged the Moshansky report last week in several answers to the member and others. There were 191 recommendations in that report. The minister set in place an implementation team, which includes industry, to ensure prompt and decisive action with regard to that report.

Mr. John Manley (Ottawa South): Mr. Speaker, Justice Moshansky in his report identifies a series of reports, memorandums and so on that identified concerns about the ability of the department to ensure the safety of the travelling public. My question for the government is very specific. At what date were these concerns brought to the attention of the Minister of Transport?

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I can assure you that the minister is continuing to receive reports and recommendations to enhance transportation safety in Canada.

In addition to the report and as Mr. Justice Moshansky has said: "I think it is safe to fly in Canada. I think we have one of the safest transportation systems in the world".

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TRAINING PROGRAMS

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my question is for the Minister of Employment and Immigration.

In an article which appeared in *The Toronto Star* on March 28 the minister clearly concedes that his government has not worked hard enough in the area of training. I agree with the minister's admission of his government's failure.

He stated that Canada should be training one million workers a year. Last year it only trained 350,000. The minister clearly accepts that the onus for restructuring the job market is the responsibility of the government. I congratulate the minister for accepting the blame. What is he going to do about?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, what an *entrée* by the hon. member. I guess if he cannot find arguments against the strategy of the government on adjustment and restructuring he might find solace in that article. But perhaps he should go on reading it.

I know that the Liberal Party opposed this vehemently, both here and in the Senate, but when we tried to activate these passive funds under UI to enable unemployed Canadians to get better skills they were opposed to it. This is Bill C-21. This is the Labour Force Development Strategy.

Last year we trained 350,000 people. This year $1.8 billion will be spent on training unemployed Canadians and close to 650,000 Canadians will benefit from training.

Part of the article also tells about partnerships. That is why we are working with the private sector, labour and business, and provincial governments so that every one in Canada will put more resources toward training people which is the key to success in a competitive world.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my supplementary is for the same minister.

The minister with his answer has admitted that his government has failed Canadians in the area of training. Unfortunately his response is inadequate.

First the government is going to study Canada's 28 economic sectors to identify gaps in training. Then it is going to bring together experts to develop a national training program, but so far only two sectors have been studied.

I ask the minister why it has taken him so long to realize that training is so vital to the future prosperity of this nation.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it is ridiculous. The hon. member should look around and see what is happening in Canada.

When he claims that only two industrial sectors have gotten together, he should maybe talk to the Minister for International Trade.

Stop reading articles in the paper and go to the book and look at the government boards, the Labour Force Development Board. Talk to the private sector. He will find that not only two sectors have gathered together and are looking at how they can be more competitive in Canada, there are tens of sectors that are doing that.

Obviously the hon. member needs briefing. I would welcome him and we will take him through everything that is done under the Labour Force Development Strategy and then he will stand up in the House and thank and congratulate the Conservative government.

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THE CONSTITUTION

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister Responsible for Constitutional Affairs.

With the deepening debate about Senate reform and a Triple-E Senate, many of my constituents, and I am sure many Canadians everywhere, are wondering if there is not a better or different way.

We have had and been well served by a process called the first ministers' conference process in this country. When the Prime Minister and the premiers get together they truly are elected, equal and effective.

• (1450)

My question is this. If the subject of Senate reform develops to be an obstruction to constitutional renewal in Canada, is the minister and the government prepared to consider the alternative of abolishing the Senate and pursuing the Council of the Federation concept as was contained in their original proposals?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, certainly abolition is one option if other things do not work. Our strong preference is for a profound change in the other place that would involve election, effectiveness and as close to equality as we can find.

I think we all know, sir, that this Canada round requires flexibility. We have seen flexibility from Quebec, we have seen flexibility from aboriginal leaders, we have seen flexibility from the proponents of the social charter. We are going to need that throughout the piece if we are going to make progress.

If any Canadians stick with extreme positions, we run the risk not only of losing the cause they are interested in, but we run the risk of losing this country. No responsible elected leader anywhere in Canada would want to accept the responsibility for that.

We had proposed, as the member says, the use of a federal-provincial device, the Council of the Federation. That was discussed at a Calgary conference, the same conference that found that the Triple-E Senate did not enjoy broad support. That was put aside.

Beaudoin-Dobbie has come in with another proposal that would make use of federal-provincial relations. We certainly would look very seriously at that.

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INTERNATIONAL JOINT COMMISSION

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is for the Secretary of State for External Affairs.

The government's green plan extols the virtue of a well-informed public in environmental decision-making. Yet in spite of government statements to the contrary, a loud public outcry and vigorous internal scientific opposition, the International Joint Commission has announced the closure and dispersal of the largest, most valuable environmental library in the country. This is supposedly for budgetary reasons in spite of repeated surpluses in that budget.

What action does the government plan to take in response to this arrogant disregard for the public interest or is what the IJC is doing consistent with government policy? Is it government policy to see a diminished IJC, a discredited IJC?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I think the decision taken by the IJC was taken in fulfilment of its mandate, which is to provide public information, but not necessarily to provide access to a library. It has kept the useful parts of its library for its own purposes. It will continue to respond to public inquiries that have to do with its mandate, but its mandate does not include running a library.

Indeed it is a strong IJC that we are looking for, particularly in connection with pollution in the Great Lakes and other files that they are working on. I believe we are going to have that. It has nothing to do with whether it has a library or not.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a supplementary. In fact, the very respected environmental group, Great Lakes United, which fights very hard against pollution across the Great Lakes basin, has said that the library is crucial, public access to the library is crucial and if the IJC does not reverse its decision, there is going to be serious consequences for scientific advance in the fight against pollution.

I want to ask the minister if this government will listen to these environmental groups that are fighting for the Great Lakes and will tell the IJC to reverse a decision which so dangerously threatens the Great Lakes security of thousands and thousands of Canadians.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, no I am not going to ask the IJC to reverse its decision. Certainly there are many groups that are interested in information on the environment and both the Department of the Environment and

the IJC will be happy to provide information that falls within its mandate.

I would suggest that if there is a need for a library and some other organizations want one, they should start one.

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PUBLIC SERVICE

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the President of the Treasury Board. We now know that the male-female wage gap is at an unacceptable 32 cent differential. Moreover, the government's proposal to eliminate the Pay Research Bureau, a branch that collects information to set pay and benefits within the Public Service, will further widen that gap.

In light of these statistics, will the minister immediately reinstate funding for the Pay Research Bureau, thus guaranteeing retroactive pay equity settlements within the Public Service?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to repeat that this government is committed to pay equity and it has shown it by making the largest settlement ever in the history of any government in the world.

Mr. Valcourt: How much?

Mr. Loiselle: It is $370 million plus $80 million a year.

I agree that we need to keep careful watch over this and make sure that over the coming years, the situation is improved where warranted. We are very proud of our record on pay equity.

As far as the management of pay within the Public Service is concerned, there are many ways of having access to information about pay in all sectors. We do not need to establish a pay research bureau.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I have a letter from a public servant who is not too proud of the government's record on pay equity. She has a masters of library science, the lowest paid of all scientific and professional job classifications in the Public Service. This woman loves her work but is forced into taking a masters in public administration in order to break out of the pink collar ghetto.

The future of millions of Canadian working women rests in the hands of this minister. I ask that given that equal pay for work of equal value came into law in 1977, that this minister and this government agree to meet its own pay equity obligations.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I have said we are committed to pay equity. We are acting in the most responsible manner and I do not accept the view expressed by the hon. member.

I would add further that through PS 2000 we are making changes which will be very favourable. Classification removal, for example, will give access to women to a greater number of jobs, better training and very full access to equity.

This government has a very good record. We are going to continue to be attentive to this, but we feel that we have respected the law fully.

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OLD AGE PENSIONS

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, my question is for the Minister of National Health and Welfare.

Last week the government announced a 37-cent increase in old age pensions. This is on top of a whopping 75-cent increase in January. Thirty-seven cents will not buy a glass of milk or a postage stamp.

When is this government going to give seniors the proper funding they need in order to have a decent standard of living?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I never believed that the Liberals would like to have more inflation, but that is exactly what will happen. The member should know that the formula we use is based on protecting the capacity of senior citizens to spend at the same level at which they spent the year before. That formula is calculated every three months.

The question is not the 37-cents on the cheque. This year, with the low rate of inflation, we have protected seniors' capacity to spend money as they did one year ago. I am surprised because I expected that for once the

Liberals would congratulate me, but it will be for the next time, Mr. Speaker.

Mr. Lawrence MacAulay (Cardigan): My supplementary question is for the same minister.

No progress has been made for seniors in the fight against poverty since this government came into power. There are more single women over 65 living in poverty today than there was 10 years ago. The last time pensions were raised above inflation was by the Liberal government in 1984. When is this government going to take serious action against poverty among seniors?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I am going to be honest with my friend. I will always stand up for seniors. But as long as in this country people have to fight to protect their jobs, as long as working people have to accept the lowering of their salaries to save their jobs, as long as children as you ask me every week need to be helped, I will stand by the policy I have for seniors, Mr. Speaker.

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• (1500)

NATIONAL DEFENCE

Hon. Alan Redway (Don Valley East): Mr. Speaker, my question is for the Minister of National Defence who last week announced the fact that the Toronto military supply depot was being moved to Montreal.

Metropolitan Toronto, the traditional cash cow of Confederation, is already reeling under an unemployment rate that is above the national average. Will the minister, as was done in the case of Summerside, Prince Edward Island, set up a committee to find compensation for the closing of this base?

Will the minister also advise the House whether the decision to move to Montreal is contingent upon Quebec remaining in Canada?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, during the last fiscal year, the Minister of Finance announced a $2 billion reduction in defence expenditures over the next five years, in addition to the $4 billion reduction announced in 1989. With such a contribution to deficit reduction, the Department of National Defence obviously had to take steps. For instance, the Canadian forces establishment will be reduced by 11 per cent. Our depots—one in Edmonton and one in Montreal—will be unified, which means savings of $35 million a year. I think that was a logical and fiscally responsible decision. I think under the circumstances it was the right decision to make, Mr. Speaker.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister for International Trade. The softwood lumber market in the United States is so brisk that the 14.48 per cent interim countervailing duty on Canadian imports has been almost completely absorbed by American consumers. In Colombus, the aggregate price of lumber increased from $290.20 U.S. per 1,000 board feet, on March 6, to $325.74 U.S. now.

In view of these latest developments, can the minister confirm today that the stream of sawmill closures in Canada now seems to have been contained? What does he intend to do next on that issue?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my friend is right. The price of lumber has indeed risen by almost $100 as a result of the U.S. government decision. I think that he is right when he says that the better part of the increase in countervailing duties was passed on to the American consumers. Our position, at the present time, is to present a very strong position to the American administration, with the support of the provinces as well as that of the industry in Quebec, Ontario and British Columbia. I think that once the process regarding the countervailing duty is completed, we will have a finding in favour of the Canadian industry.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

Today we read about another tragic event with regard to child poverty and the death in 1987 of a child from God's Lake Narrows in northern Manitoba. I just toured those communities and of the 11 communities I toured last week not one of them has water and sewer systems. These are areas with total population in excess of 10,000 people.

Why is it that the federal government's plan is to bring water and sewage into those communities; not to pay for the hook-ups into the houses, not to pay for toilets, not to pay for sinks but to insist that bands which just do not have the money use their very limited capital funds?

Does the minister not realize that with that approach native people will not have water and sewer systems in their homes?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I certainly know that there are a small number of aboriginal communities remaining in Canada with water and sewer systems that are not yet up to the national standard.

That is why the government approved new funding of $250 million. It was announced a year ago. Upgrades in those affected communities, which are a small number of all native communities in Canada, are under way.

The question of the hook-ups has to do with distinguishing between the band support financing and their capital planning for which most bands receive budgets well in excess of $1 million, up to $5 million or more per year in many cases, on the basis of a long-range formula financing arrangement and the bringing of the main infrastructure services into those communities.

If the hon. member has a specific aspect of this problem he would like me to look into further, I would be most pleased to do so.

* * *

[*Translation*]

TRADE

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, we are in the fourth year of the free trade agreement and yet there is no definition of a subsidy.

Given that the government and the minister are fully aware of the impact of this definition on the Canadian economy, is he willing today to commit his government to withdraw from the North American free trade talks and not to sign the agreement before this definition is agreed to?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is aware that in the Uruguay round negotiations there has been a good definition of subsidy. It is more extensive than I think had been considered by my hon. friend and his colleagues prior to the announcement of the December 20 Dunkel paper. It affects subsidies by other countries that affect our markets in third countries. I think that is a substantial step forward.

It also affects subsidies that are provided by state governments in the United States that again adversely affect our markets in the United States. There is a major step forward here if we are able to get a successful Uruguay round negotiation.

I can assure my hon. friend that if we get that we will be carrying it through as much as we can into the NAFTA negotiations.

* * *

PRESENCE IN THE GALLERY

Mr. Speaker: I wish to draw the attention of hon. members to the presence in the gallery of His Excellency Ahmed Hassan Diria, Minister of Foreign Affairs and International Co-operation for Tanzania.

Some hon. members: Hear, hear.

* * *

BUSINESS OF THE HOUSE

Mr. Andre: Mr. Speaker, I would like to designate tomorrow, Tuesday, March 31, 1992, as an allotted day.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 81 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

SCRUTINY OF REGULATIONS

FIFTH REPORT OF STANDING JOINT COMMITTEE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to table the fifth report of the Standing Joint Committee for Scrutiny of Regulations.

This report recommends that the Public Service Commission adopt regulations under the Public Service Employment Act to protect the rights of parties to appeals under sections 21 and 31 of the act. The report reaffirms the committee's earlier recommendations contained in its ninth report in 1988.

The committee finds that for our public servants there is an absence of procedural safeguards to ensure that the appeal process contains the basic requirements of fairness and equity.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

CANADA ELECTIONS ACT

MEASURE TO AMEND

Hon. Alan Redway (Don Valley East) moved for leave to introduce Bill C-340, an act to amend the Canada Elections Act (disqualifications of electors).

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

• (1510)

Mr. Redway: Mr. Speaker, historically those sentenced to imprisonment in penitentiaries have been prohibited from voting. Recently, however, the courts have cast some doubts on this historic penalty. This bill is introduced with the intention of clarifying this fact and provides that any person convicted of an indictable offence and sentenced to a term of imprisonment in a penitentiary is not qualified to vote in a federal election, unless the person is granted full parole or a statutory release or is no longer imprisoned on account of a remission.

The Acting Speaker (Mr. Paproski): Mr. Redway moves that the bill be now read a first time and be printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

PETITIONS

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition on behalf of a number of residents of British Columbia.

They point out that a Vancouver based company has announced its intention to divert the water of a British Columbia river through a medium of canals, pipelines and other river channels into the San Diego, California area.

This petition is simply requesting the federal government to state categorically the terms of policy that our fresh waters will never be dammed and diverted into the U.S.

UNEMPLOYMENT INSURANCE ACT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on an unrelated matter, another topic, the petitioners are again from Kamloops, British Columbia.

They call upon Parliament to take immediate steps to specify that accidental violation of the Canadian rail operating rules do not constitute employee misconduct under sections 28 and 30 of the Unemployment Insurance Act.

CRIMES OF VIOLENCE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition signed by residents of Calgary, Toronto, Halifax, Edmonton, Montreal, Ottawa, Bowmanville, Deep River—

Mr. Boudria: Any from Hawkesbury?

Mr. Milliken: I do not see any from Hawkesbury but they are also from Vancouver and Kelowna, B.C. and from Thornhill and Unionville, Ontario. I may say that this petition clearly has been round the country.

These petitioners are concerned about crimes of violence against the person. They request that Parliament recognize crimes of violence as being serious and abhorrent to society and request that an amendment to the Criminal Code of Canada, the Bail Reform Act and the Parole Act be made by this House to reflect that concern.

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, I wish to present this petition on behalf of my constituents who urge the government to recognize that crimes of violence against the person are serious and to amend the Criminal Code of Canada, the Bail Reform Act, 1972 and the Parole Act accordingly.

GOODS AND SERVICES TAX

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, I am pleased to rise in the House today to present a petition on behalf of First Nations, many of whom have signed this particular petition against the dreaded GST.

It asks that the government be responsible to the citizens of First Nations in Canada by taking immediate steps to rectify the deficiency of the policy guidelines, including changes which will protect the taxation immunity of First Nations both on or off reserve lands and those citizens who do not as yet have recognized reserve lands.

The First Nations of Canada are immune from such taxation by virtue of their aboriginal treaty right and the GST affronts that right.

TRANSPORTATION SAFETY

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I have the honour to present a petition to the House today that deals with the question of the transportation safety system on the coast of British Columbia. It involves the lighthouse system.

The petitioners urge that the government, now that it has cancelled the ill-founded program to destaff lighthouses, begin the process of lighthouse program upgrading.

This petition comes from a large number of people from Port Hardy, British Columbia, and has resulted from meetings in Prince Rupert, Port Hardy, Campbell River and on down the coast of British Columbia.

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker would you be so kind as to call Starred Question No. 223.

I ask that this response be made an order for return and if so, this return would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

[*Text*]

*Question No. 223—**Mr. Flis:**

With respect to Canadian participation in the trade show held in Monterrey, Mexico in January 1992 (*a*) who were the participants (*b*) were any of their air tickets paid for by the government, and if so, how many (*c*) was External Affairs involved in the purchase and distribution of tickets and, if so, for what reasons (*d*) how much was spent on accommodation, air fare, floor space and signs (*e*) were profit making companies attending the show subsidised by the government and, if so, for what reasons?

Return tabled.

[*English*]

Mr. Boudria: Mr. Speaker, on a point of order. You will know, sir, as will all colleagues in the House that a question has been standing in my name dating back to last September. The question asks for the expense accounts of deputy ministers.

I would ask my colleague across the way, given his undertaking of some weeks ago now, that the matter would be addressed in the near future, whether or not he will undertake to respond to that question no later than tomorrow?

Mr. Cooper: Mr. Speaker, the hon. member has raised this question on a number of occasions as you well know. I have given him an undertaking to check this answer out and to see what I could do to speed it up.

In that vein I had two or three conversations last week asking that the answer be finished and delivered to the hon. member as quickly as possible. I had hoped I would have been able to table the answer today. I am not able to do that obviously, and I cannot commit to tomorrow. I

can assure him I will do everything in my power to get him an answer as quickly as possible, because he does deserve it.

Mr. Boudria: I thank the member for his answer. The member and the House will know that as long as that question is on the Order Paper I cannot ask another one, that is to say that the Order Paper is loaded. We are only entitled to four questions each.

An hon. member: Let us change that.

Mr. Boudria: I am not in any way blaming the member across the way. But I do want to state that had I asked that question of ministers, I know I would have received the answer a long time ago. I find it particularly puzzling that an answer that is requested of deputy ministers takes such a long time to come.

Again I do not blame the member across the way. But I would invite those who read *Hansard* to bear it in mind.

Mr. Cooper: I ask that the remaining questions be allowed to stand.

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEBT SERVICING AND ACCOUNT REDUCTION ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-21, an act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada, be read the third time and passed.

Mr. Skelly (North Island—Powell River): Mr. Speaker, on a point of order, the hon. member for Nickel Belt concluded his remarks right at two o'clock and I wonder if it is your intention to offer a period of questions or comments.

The Acting Speaker (Mr. Paproski): Questions or comments are for the first two speakers. I am sorry.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am pleased to participate in the debate on third reading of Bill C-21, an act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada.

This bill is very important for our country and it is very simple. Mr. Speaker, this morning and last week you heard, unfortunately, the opposition criticize this bill as usual.

In practical terms, the purpose of this legislation is to establish a special account in which the net revenue generated from the GST, from privatization and from the donations made by Canadians will be accounted for. When we talk about net revenue generated from the GST, we mean all the revenue that the government gets from the GST, minus the moneys given back to low income Canadians, through the annual tax credits that we know, and that Canadians know. This is what we mean when we refer to net revenue generated from the GST. When we talk about net revenue generated from privatization—that is the sale of corporations that belong to the government—the sale price, minus the expenses linked to the sale, gives us the net amount.

• (1520)

The opposition is criticizing this special account. One of the comments made against this good piece of legislation is that the government does not have any money, whether the revenue generated from the GST is in a specific account or in a general account. When we implemented the GST, the people in my constituency of Trois-Rivières and across the country wanted to be sure that this government, or another one in five or ten years—maybe, Mr. Speaker, but I do not think so—would not be able to use the revenue generated by the GST for purposes other than the payment of interests on our debt and the payment of the debt itself. Canadians wanted to make sure that this revenue would not be used to set up new programs and spend even more money. That is the primary reason for this special account.

The opposition always wants more money, more programs and more spending, because it has no idea of the economic reality of this country, no awareness of the national debt that we inherited from the Liberal Party. That is why they want us to continue spending. The purpose of this bill is precisely to ensure that the net revenue generated from the GST will be used only to pay interest. The same goes for the revenue generated from the sale of Crown corporations.

Last week the opposition criticized the sale of government owned corporations. I can tell you that in 1984 as well as in 1988, in my constituency of Trois-Rivières, people approved the federal government decision to cease competing, through corporation XYZ, with the

private sector. The federal government is there to manage a country, not to compete with the private sector. The only negative comment that I heard from my constituents regarding privatization is that maybe we have not sold enough corporations since we were elected. I had to explain to my constituents that the former government left us with corporations that were in the same state as the government, that is they were in debt and it is not always easy to sell companies that are in debt and that lose money. You have to first set them back on their feet, so that they have a positive financial sheet, and then try to sell them.

The third element in this bill is donations from Canadians. I want to emphasize the fact that since we first announced this legislation some 10 months ago, the federal government has received $375,000 in donations from Canadians. Those Canadians sent money strictly to help us pay the interest on our debt and, eventually, to pay the debt itself. Mr. Speaker, it is important to mention this fact: to this day, the government has received $375,000.

I want to take this opportunity to invite Canadians who believe in Canada and who have the financial means to make a little donation to help our country pay that high interest on our enormous debt. I can hear my colleague talk about the debt that we have created. Allow me to remind him of the economic realities.

When the 1974–75 budget was tabled, the debt stood at $27 billion. That was the national debt and the party of my colleague, the Liberal Party of Canada, was in power.

In 1984–85, the fiscal year during which we were elected, the debt was $206 billion. What did they do in 1984–85? Well, it was easy. They had an operating deficit of $16.5 billion, in other words, the Liberal government at the time spent $16.5 billion more than it received in revenue. On top of that, the Liberal government paid $22 billion in interest. For every tax dollar received, the government had to pay $1.33 to service the debt. That was the kind of fiscal management we got from the Liberal government in 1968, 1974–75, whatever, until 1984–85.

This year, we will have an operating surplus of $10 billion, which means, for the benefit of the people watching us, that in 1984–85 we took an operating deficit of $16.5 billion and in eight years turned it into a surplus of $10 billion. In eight years we actually were able to turn a $16 billion deficit into a $10 billion surplus, which means a difference of $26 billion. How we did it? The opposition will say we increased taxes. Yes, there have been some tax increases since 1984, but there has also been some real management in this country.

The average increase in program spending by the Progressive Conservative government has been 3.9 per cent annually. The average increase for the Liberals was 13.8 per cent per year. In other words, the Liberal government increased its expenditures and increased budget spending but ignored the other side of the balance sheet. There are two sides: expenditures and revenue, but it conveniently ignored the revenue side and in the process left the country with a debt of $206 billion.

Members are going to say: you Conservatives doubled the debt. That is just not true. If we look at what the debt was in 1984, and it was $200 billion, and if we calculate the annual interest this government has had to pay on the debt, and if we add the interest paid annually, we have today a debt that has doubled, but 50 per cent of that amount is interest, interest on the debt we inherited.

Mr. Speaker, you will often hear people say the GST was not a good idea, and that it should be suspended for a couple of years. Or the Liberal Party says it would get rid of the GST and tax something else. What would it tax, Mr. Speaker? Nobody knows.

I say the GST was not necessarily popular, but something we needed. I do not think this government was elected to be popular. It was elected to make economic and administrative decisions that are right for this country. In 1992, being a politician and a federal member is not a popularity contest but a contest in effectiveness. Unfortunately, the opposition seems intent on making it a popularity contest. It does not understand the problems involved in managing and putting in place an

economy that is sound, that will attract investment, and that will create jobs and prosperity.

That is important. The GST gives us significant income every year. It is also good for business. We know that both those who produce and sell in Canada and those who produce and sell abroad benefit with the GST compared to the former federal sales tax. Mr. Speaker, you will remember the old federal sales tax that was in effect for 65 years. For 10, 15 or 20 years, people had been saying that it was a bad tax for the economy. It helped imports and hurt exports, it should be abolished, it had 22,000 exemptions and applied to only 75,000 businesses across the country. It was a tax that had to be changed. We were the only country in the world that still had such a tax. We had to get rid of it. The best thing would have been to get rid of it completely and not talk about it. But due to the incompetence of the previous Liberal government, we had a debt to pay. When you have a debt to pay, you must have income. That is why the GST was implemented. It is a reliable source of revenue and needed to stop the haemorrhaging that we inherited in 1984.

• (1530)

I often hear people on the other side of the House say that we should stop talking about 1984, because it was seven or eight years ago. I would prefer not to talk about the debt if there were none, but there is one. We must tell the people where we are. To explain where we are, we must see where we came from. The starting point is what we inherited. Well in 1984 we inherited a huge debt. Over the years, we have had to pay interest on that debt. Over the years, we have turned a $16-billion operating deficit into a $10-billion operating surplus. Even if the opposition shouts and makes a fuss, that is a reality we have had to live with and this government is working on. It is meeting its responsibilities and doing things—

Mr. Speaker, you are indicating to me that my time is nearly up. But I would like to emphasize the debt problem and what goes with it. It means that this year the federal government will spend $41 billion on interest. On interest alone, we will spend $41 billion this year. The biggest expense item in the federal government's whole budget is the interest on the debt. Even with lower interest rates, it is more than total spending for old age security pensions, family allowances, unemployment insurance and veterans' pensions. My point is this: can you imagine how lucky and pleased we would be to govern if we did not have the $41 billion interest burden to pay? Mr. Speaker, can you imagine how much more we could do for Canadians if we did not have to pay $41 billion in interest on a debt that we did not even create but that we inherited, and I do mean inherited?

Even if the hon. member opposite does not like it, in Trois-Rivières where I come from, we have a saying, "The truth hurts." He looks offended, so that means it is true.

Mr. Milliken: I am shocked.

Mr. Vincent: Truth is often shocking, but one must live with it.

That being said, we have taken difficult measures in almost all sectors, almost all departments, to streamline government operations, to bring government operations in line with Canadian economic reality. People often complain that the federal government spends needlessly and does things it should not. They are right, Mr. Speaker. On the other hand, I defy any Canadian family or business to demonstrate that nowhere does their budget reveal expenditures totalling 1 per cent which are considered an honest mistake, an unconscious extravagance. One per cent is a very small sum, in a family or business budget which might have been used differently.

If one takes for granted a 1 per cent margin as acceptable, I would suggest that he or she refers to the federal government estimates which one might set, for our purpose, at $150 billion. Mr. Speaker, 1 per cent of $150 billion is $15 billion. I therefore say to Canadians that, unfortunately, 1 per cent of government expenditures probably escape our control for one reason or another, for lack of resources or because monitoring costs in the 40 departments, in all agencies and across Canada would be greater than the sums involved. We are still talking of $15 billion, a large sum for Canadian taxpayers. It is easy to spell out $15 billion, but if we were writing the figure, how many zeros would be required? It would be too long. So we agree that $15 billion is a lot of money.

However, it is a reality which one must accept. This is part of an enormous system in a huge country which must live within its means and make do with whatever good or bad we do have. In closing, I hope that my hon. colleagues from the opposition—whether from the Liberal Party or from the New Democratic Party—will think positively for a change, instead of criticizing all the time, while never coming up with a solution.

Mr. Speaker, when you go to your doctor with the flu and he tells you: "Well, you should not have gone out without wearing something on your head. You should have put on your boots. You should have worn a coat but I have no pills for you, no remedy, nothing." Only a very peculiar physician would act like that! That is somewhat like what is going on with the opposition here. We never have the right cap, the right footwear, the right coat, but at the same time they never have remedies to offer, Mr. Speaker, no constructive suggestions to get this country moving again instead of advocating, as the Liberals do in particular, that the GST be abolished and that taxes should be collected from other sources. It is easy to say "we would collect taxes from other sources", but that is not what the Canadian people want to hear and it does nothing to help the government either, Mr. Speaker. What does help is constructive ideas.

The criticism from the NDP does not help either. They keep saying that many people do not pay taxes. That is absolutely not true, Mr. Speaker, and we know it, you and I. Companies pay their fair share of taxes—

The Acting Speaker (Mr. Paproski): I am sorry to interrupt.

Mr. Vincent: Mr. Speaker, I thought I was allowed more time.

The Acting Speaker (Mr. Paproski): There is a 10 minute question and comment period and the time allowed for the debate is 20 minutes. Is there unanimous consent to let the parliamentary secretary complete his remarks?

Some hon. members: Agreed.

Mr. Vincent: Mr. Speaker, I thank my colleagues. I must admit that I was under the impression that I had an unlimited time as second speaker.

Mr. Milliken: The standing rules were changed for 40 minutes. In any event, you are not the second speaker, nor the first.

[*English*]

The Acting Speaker (Mr. Paproski): The hon. member has only 20 minutes plus 10 minutes questions and comments. The Minister of State lost his turn. Then the number two speaker had 40 minutes. There were two 40 minute speakers and now you are the number three speaker which is 20 minutes plus 10 minutes questions and comments. I regret it but I think that is the way we are going to have to go. We will let you have two more minutes and then questions and comments.

• (1540)

[*Translation*]

Mr. Vincent: Thank you, Mr. Speaker. I would like to conclude by thanking my colleagues for allowing me to prolong my speech and by urging them to vote in favour of Bill C-21.

[*English*]

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, the speech astounds me. If I can summarize quickly my understanding of it, it says everything in the world that is wrong has been the responsibility of the Liberal Party. Although there is some truth to that, the rest of the argument is: "I would rather be unpopular than follow any other advice that is given in here".

I have to say that the Conservative Party is truly unpopular and from that point of view it is an outstanding success. It would rather impose the GST than be popular. It would rather impose the Canada-U.S. trade agreement than be popular. It would rather impose the North American free trade agreement than be popular. It would rather be unpopular and not reduce the interest rates. It would rather be unpopular and not allow the dollar to go down. It would rather be unpopular and not put in a municipal infrastructure system. It would rather be unpopular and not put in an inheritance tax or a minimum corporate tax or a fairer corporate and income tax. These things were all positive ideas and suggestions put forward in the House. It does not accept them.

He wonders what we can offer from this side of the House to a party that has been as successful as the Conservative Party in this government in becoming the most unpopular government in the history of Canada.

We could offer an election and that will solve the problem. I wonder if he understands, and even the Prime Minister understands, what democracy is? Democracy relates directly to popularity which means enjoying the confidence of the people. This government does not enjoy the confidence of the people. It is four years into its mandate and it is time to go to the polls before it destroys anything else.

There was a beautiful line put forward by the member: "I look forward to campaigning against these people when they stand up and we would rather be right and unpopular". My God, they are truly unpopular, but the only problem is they are not right either. When one does not enjoy the confidence of the people then one is wrong by definition. The majority of people in this country do not want that trade agreement. They do not want the North American trade agreement. They do not want high interest rates. They do not want the dollar so high. They want to get rid of the GST. They want a municipal infrastructure system and they want a fair tax system.

This government has failed to deliver all of these which have been constructive suggestions from this side of the House. The government has been a fiasco. Its operating principle comes from when the Prime Minister stood up and said: "I would rather be right than popular". Damn it, Mr. Speaker, he ain't right and he ain't popular.

[*Translation*]

Mr. Vincent: Mr. Speaker, certainly I wish to reply to my colleague. He says the people did not want free trade. I would like to remind him that in 1988 we were elected on that very platform. My colleague says there is no minimum tax for companies. I must remind him that it is just not so; companies are subject to a minimum tax. He also says there is no minimum tax for individuals. I must also remind him that there is a minimum income tax for individuals; therefore, everybody in Canada, companies and individuals, must pay their fair share of taxes.

My colleague says it is abnormal and undemocratic to be so unpopular. A politician's mandate is to be elected in order to administer his country. We were democratically elected and we are managing the country; some of our measures do not necessarily please everyone. Mr. Speaker, a strong politician must do whatever is best for the good of the country and that is part of democracy.

Finally, Mr. Speaker, I will state, in answer to my colleague saying he was eager to campaign against us, that I am eager to see how the New Democratic Party does in Trois-Rivières. All I wish is that this time they round up enough players for a game of rummy.

[*English*]

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I had an opportunity to speak on this bill at second reading. I stated then what a silly piece of legislation it was. I am of course convinced that statement was true then and it is still true today.

[*Translation*]

I am surprised by the remarks of the hon. member who just spoke because I believe the bill to be great fraud. It is simply a document prepared for the next election campaign. It is very appropriate for the Conservative Party for there is not one ounce of sensibility.

[*English*]

It is a ridiculous bill, Mr. Speaker, and I invite you and the Solicitor General, who I know is very attentive to speeches in this House, to consider what this bill can be used for. Imagine, Mr. Speaker, if you were a person with a debt. You have a bank account. Your banker is deducting your monthly payments from the bank account. Suppose you go to the banker and say: "I can set up a special account at your bank, open a new account and deposit all my pension income into that account. Out of that account I would like you to pay the interest payments on my debt and in fact, retire the debt out of this special account that I am going to create". The banker says: "Yes, that sounds like a great idea. It is a duplicate set of bank charges, but no problem, we'll set up the account for you and you put your pension cheques into the account and we'll deduct the payments from it".

Suppose, Mr. Speaker, your payments are $1,000 a month. You open this account and you know $1,000 is going to go out to the banker every month. But suppose that you do not tell the banker in advance that your pension cheques are only $250 a month. Clearly there is not enough then in the account to pay the $750 balance that is owing to the bank every month. What will the banker do? He will take it out of your original account, the big one. You will not notice. He will just keep taking

it out of both. It will not have made any difference that you opened the account.

That is exactly what the government is doing in this bill. The only trouble is that the Canadian people are the bankers. They are the ones who are being hoodwinked by this nonsense. Even the Solicitor General is laughing. He knows this bill is a complete fraud.

It has been introduced in this House and Parliament is being used as a Tory propaganda printing operation. All the government is going to do is run around the country with this bill saying: "We have set up a special program so that all your GST dollars will go to reducing the national debt". Of course it will.

Let us listen to the figures. Here are the government's estimates for this year. This is the spending authority it has asked for from Parliament. How much does it want to service the public debt? Forty billion, 200 million dollars, $40 billion in round figures. How much has it raised from the GST this year, the money that is going into this special account to pay the debt? This is the deficit reduction account. Bill C–21 is entitled the debt servicing and reduction account act.

Well there will not be any reducing. There will be absolutely no reducing as a result of the passage of this bill. The debt will stay the same because there is not going to be enough money in this account to pay the interest, the $40 billion a year that the government has asked for in this year's spending estimates.

Let us look at the latest financial statement published by the Government of Canada, dated March of this year, for the first nine months of the financial year ending on March 31, 1992.

Goods and services tax revenues during the period, if I am reading this correctly, and the minister I am sure will correct me if I am not, is $11,000,000,190 and the government is going to spend $40 billion in interest. Where is the correspondence here? Where is the reduction of the national debt going to be from this account? Where is the other $30 billion coming from?

• (1550)

Let us be generous for a moment and assume that another $4 billion in the GST will come in in the first three months, that is, January, February and March 1992 which will bring us to the end of the financial year.

Unless there is a lot coming in tomorrow, I assume that the government is not going to get much more than $4 billion in that period. Maybe I am wrong. Perhaps there is some unexpected windfall on the way, but let us assume it is $4 billion. That puts it up to $15 billion, less than a third of the amount required to pay the interest alone on the public debt.

If we look at Bill C–21, it says that the amount from the sale of Crown corporations is going to go in there, too. That might last for a year, but given the way this government has been selling off our Crown corporations at fire sale prices thanks to the Minister of State for Privatization and his incompetent management of the sale of these things, we are ending up with less money than ever from the sale of Crown corporations. There are not that many left to dispose of.

A lot of them are being wound up. A lot of them are going bankrupt, just like this government is going bankrupt, both in ideas and in cash. It has overspent for seven years, and now what it is saying to Canadians is: "Let us try to hoodwink you into thinking that we are going to do something at last about the national debt".

It has gone up by leaps and bounds, ever since the Tories took office. They never got the deficit on an annual basis under control. They have doubled the national debt in their term in office already, and it is going beyond that now.

Now they come to Parliament and say: "Pass a special bill to create a special fund into which all the GST revenues will go. Then in the election campaign we can run around the country telling Canadians that we have committed ourselves to putting all the GST revenue to the national debt."

Great promise that is, when the GST revenues will not even cover the annual interest payments on that national

debt. The statements amount to nothing but a complete fraud on the Canadian taxpayer.

This bill is being printed at the expense of the Canadian taxpayers in order to convince them that something is happening which is not happening. It is a game of smoke and mirrors. People are going to be duped by this. This will be an effort. The government will boast all around the country that it has done something with GST revenues to make sure they are not spent on other things.

What is the real restraint? Suppose the government tomorrow decides to go ahead with some new policy on handing out money as it does to its advertising agencies to advertise something about the Government of Canada. How much is it going to spend advertising this new fund? I wonder.

The hon. member for Calgary Northeast is familiar with government advertising procedures. He used to be a supporter of the government, and he knew what it used to do. He must realize it will commit all kinds of fraud with this advertising campaign. It will spend millions of dollars handing out advertising contracts to Tory fat cats.

Mr. Lewis: Naturally.

Mr. Milliken: Naturally, says the Solicitor General. Of course they will. They have to advertise this bill. They have to convince Canadians that their money is being spent wisely and it isn't.

This is a sheer public relations exercise, a smoke and mirrors game that the government is involved in at the expense of the taxpayers of Canada. How much is the government spending to get this bill through this House? How much is it costing in terms of time wasted in Parliament dealing with such a silly bill as this?

It was months in committee.

Mr. Lewis: Sit down.

Mr. Milliken: The Solicitor General invites me to sit down. I know that he will want to participate in this debate too, so I will wait until he is finished his notes.

Canadians realize that this bill is not something worth while and that money is being wasted in putting it through here. There will be a further advertising campaign as there was for free trade, for the GST and for all kinds of unpopular measures introduced by this government. We get it every time we turn around.

Canadians will say: "Why is this money being spent to establish a fund that does absolutely no good?"

I put a question on the Order Paper today asking how many person-years are going to be set aside in the Public Service to administer this fund which will do absolutely nothing to assist in reducing the deficit or the national debt of Canada. I will get an answer, I suppose, in due course.

But the government must have projected somebody to cook the books every year to figure out how this is to be done. There will be somebody from the Auditor General's office doing an audit on it every year to make sure that the government has lived up to the terms of this act by making sure the money is transferred into this phoney account and then back out again to pay the interest on the debt.

I suppose we will go through all this bookkeeping exercise in order to give the Conservative Party some kind of campaign brochure, some kind of document that it can run about with during the election and say it has actually done something about the national debt when in fact all it has done is make it worse.

When looking at the record, the litany, in fact, of broken promises of this government and thinking particularly of child care and the hullabaloo that was made about that, one can only imagine what this bill represents in terms of promise.

I well recall during the last campaign the Prime Minister ran around the country saying that we would have had child care if it were not for the evil Senate. It was the Senate, the Liberal-dominated Senate—and thank goodness it was Liberal-dominated at the time and it is a shame that it is not any more. I know the Solicitor General regrets that. The Senate at the time of course blocked the legislation, according to the Prime Minister, that would have implemented a child care scheme in Canada.

The Senate offered to sit all weekend to get the bill through but the Prime Minister would have none of that. No, no. He dissolved Parliament instead. He then went to the people saying that child care was killed because of the Senate.

Now we know it was never the government's intention to proceed with it. It has never proceeded with it and the Minister of National Health and Welfare just the other day said there would be no national child care scheme.

That had just been another fraud on the people of Canada. They had been deceived and duped by a government that never had any intention of proceeding with such a scheme. It simply used it as a convenient vehicle during the election campaign and then dropped the whole idea once it got into office again.

That is what this bill represents. It does nothing substantive. It does nothing whatever to reduce the debt. It does nothing whatever to ensure that Canadian taxpayers' dollars are spent wisely because the government can increase its expenditures in any area and then just claim that the deficit has gone up.

Whatever the GST revenues are, they will go into this special fund. But what difference does it make, because if the debt keeps getting bigger it does not matter how much goes into the fund. It has to match and it does not match. It will not match. If they doubled the GST it probably still would not match the interest payments required on this debt. This is not the solution. It is merely posturing for the purposes of an election campaign which Canadians want just as soon as it can be arranged.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I find this bill something of a real farce because when we talk about reduction of the debt, reduction means diminishing the debt. Our debt at the present time is around $420 billion. This year's deficit is over $30 billion.

So as the hon. member said, what does this bill really do? It opens another account, an account that will simply serve the purpose of paying out money. Instead of having one account, there will be two accounts. There will be auditors, jobs for accountants, jobs for bureaucrats.

The whole problem of this government is it never faced the problem of Canada's debt in 1984. Up to 1980 the net debt of Canada was very small. It increased after the 1980 election, but before that it could be handled.

Since 1984, one-third of Canada's debt is foreign-owned. This is another of those tragedies because before that the debt was owed to Canadians, now it is owed to foreigners. We have to follow orders from the International Monetary Fund and from the World Bank. We are no longer masters in our own house.

This bill is a ploy to win elections or the government thinks it can win an election with this bill. Can it? I do not think so. Canadians have been fooled many times, but this time they will not be fooled. They will be able to see through this bill and see that this money is simply more revenues for the government for more spending.

When the GST was introduced, at that time the compliance cost to small business was calculated to be about $4 billion.

Because of the GST we are now in a recession. I remember the Minister of Finance just a couple of months ago saying that there is no recession, that we are progressing, that we are doing very well. The reality is that at the present time in certain areas of the country we have unemployment of 20 and 30 per cent. Industry is not moving into Canada; it is moving out of Canada.

• (1600)

A recent report of a study done in Montreal shows that Canada is losing a thousand jobs a day. It is unbelievable. We are losing jobs that go out of Canada into the United States or elsewhere in the world.

Instead of addressing the problem of industrialization, of creating new jobs and new opportunities for young Canadians, we are simply bringing in a bill that says:

> An act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada.

It is a simple bill, only four pages. This bill is going to create jobs for accountants, for auditors, but it will not reduce one penny of our national debt.

I believe that in the next federal election this government is going to go around the country telling us that the GST serves to reduce the national debt. But, as we know, the interest payment on the national debt is around $40 billion. How much does the GST collect? It depends on the activity of the economy, but let's say on the average around $15 billion, a little bit more than one-third. This money will go simply to service the interest on the national debt. Whether we put it in the general account or in a special account makes no difference.

I would like to go back to 1984. At that time we were collecting $70 billion from the taxpayers and we would spend around $110 billion or $40 billion more than we collected. Between 1984 and 1991 we took in $40 billion more through taxation, through the taxation of average Canadians. Now we are collecting around $110 billion, but we still spend $30 to $40 billion more a year.

This legislation will not serve the purpose of reducing our national debt. You know that, Mr. Speaker, because if you had the same type of administration in your house you would be bankrupt. But, no, what we are doing is that we are going outside the country to borrow money. We borrow money on the world market. I have to say that up to 1984 we used to borrow money, but we used to borrow money from Canadians, from their savings. Now Canadians do not have enough money. They cannot lend the money so we have to go outside the country. We are not masters of our own house any more. This is the tragedy of this administration.

It did not address the problems when it was first elected and now it tries to solve the problem through a system that is not going to work.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. member for Gatineau—La Lièvre.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, when I examine Bill C-21 concerning the deficit, I was struck by the simple fact that the deficit has become an incredible burden for all Canadian taxpayers.

My colleague from Alberta mentioned that from 1984 to 1990-1991, the government of Canada had a revenue surplus from Canadian taxpayers. It is true that in a period of prosperity the Government of Canada could get much higher revenues that expected. Despite that, we found ourselves with an increased accumulated debt.

I am not trying to say here that the Conservative government is totally to be blamed for the deficit. That is not what I am trying to say at all.

There has been a lack of fiscal responsibility in this country for a good 15 to 20 years. I do not blame solely the Conservatives. I simply want to show that the problem is mainly in the way that Canadians are taxed. Is there something more fundamental in a democracy than the way in which we tax individuals and companies?

Twenty-five years ago, here in Canada, we had the chance to get a royal commission, the Carter commission. At that time, Mr. Kenneth Carter was the person responsible for that royal commission, which mandate was to modernize, if you will, the tax system in our country. That document was considered revolutionary in those days; it was even used as a taxation model for modern countries in classes at Harvard University in the United States. Afterwards, many parts of the Carter commission report were used by Scandinavian countries wishing to rejuvenate their taxation systems, to improve their fairness and equity.

And what did we do in Canada? We did not even publish the report. Why? The answer is simple enough: the financial elite did not find it favourable enough. Therefore we never heard about it. It was never published and Canadians never had access to a most remarkable document. Kenneth Carter, that great Canadian, offered a tremendous service to our country but, his work was still not published.

Where is the problem? It is quite simple: in this country the financial elite protects its own interests; good for them. It does not protect your interests or mine, nor those of most of my colleagues, but it protects its own. That is why the middle class must compensate, it must make up the remaining tax revenue the government needs to operate.

And then comes Bill C-21; some sort of camouflage which I fail to understand. We know quite well that all revenues are added to the Consolidated Revenue Fund at the federal and provincial levels. Will we solve the debt problem by creating this other fund? No way. What we need is a thorough reform of our taxation system to make it be fair and equitable. Naturally, such a reform would improve the people's confidence and I am sure it would contribute to getting us out of our present situation.

As my colleague from Alberta mentioned, it is very unfortunate that, in recent years, we have had to go abroad to borrow. It is most regrettable because ever since the Confederation, and that means more than 120 years, we always could count on Canadian savings to finance government operations. Now, as my colleague was saying, we are forced to go abroad and we are no longer even masters in our own house. That is unacceptable, Mr. Speaker. There should even be a law preventing the government from going to the international market if it is unable to finance its own operating costs. It should be done internally. We are not a banana republic; we are a sophisticated country.

• (1610)

We have money markets in our country. We should not have to go to the international market, except of course for capital spending, which is quite different, because this spending would generate revenue. However, there is nothing forcing us to go to the international market.

Finally, this whole deficit issue is creating a climate of fear in the country and people are right to be worried. We have seen the effects of free trade on our economy and on industry in this country. The government is continually using the deficit as a bogeyman to frighten everyone. Instead of frightening us, it should submit concrete measures. As I said, such a concrete measure would be a real reform of our tax system. People have been demanding it for years. I believe that it is essential. Without it, we will not regain Canadians' confidence in this area.

Moreover, when we look at the deficit, we see that interest rates do a great deal to raise it. That is something else we should look at as a government, because we are part of it here. If we are not part of the solution, of course we create problems here. We must understand that. The deficit is not due to a single thing, as our illustrious Prime Minister often tries to have us believe. He blames us for the deficit and says that it was created when the Liberals were in power. But that is so simplistic it does not even deserve a reply.

The deficit problem is due to several things. First, there must be a real reform so that all Canadians, especially the middle class, who are paying more than their share now, know that they are not being victimized. We know that is happening now. We must deal with that issue because it is a matter of trust.

Second, we must at all costs protect the gains we have made here in Canada, especially our industrial infrastructure which has been very hard hit since free trade. I say that by the next election, this question of free trade will again be an issue, because many have suffered from this hurriedly signed deal. Recently I read that the Canadian Manufacturers' Association, especially the Quebec branch, did a study and now says that after the fact that it realizes that before we signed the free trade agreement, there should have been a transition period of at least five years so that we could adjust to it.

Mr. Speaker, I conclude my speech on Bill C-21. If there is one thing I would like to see instead of the fund mechanism, knowing that all revenue goes to the Consolidated Revenue Fund, it is to ask the government to deal with the problem that is undermining the confidence of all Canadians, namely the unjust and unfair tax system. That is what we should deal with first. If we show our good faith by making the system fair for all Canadians, we will see all taxpayers regain hope and confidence.

Mr. Jim Peterson (Willowdale): Mr. Speaker, like all members of this House I was very impressed by the hon. member's speech. His ideas were so well expressed, his arguments so incisive that I was amazed. I would like to ask him a question. On the subject of the deficit, does he think the budget brought down by the government about a month ago will increase or decrease the deficit? I would like to refer to a small item in the budget which consists of reducing the tax on dividends paid by Canadian companies to their parent companies abroad. The tax was reduced from 10 to 5 per cent for dividend payments paid abroad. Does the hon. member think this is fiscally responsible? Does he think it will increase foreign investment in Canada? If the answer to the last question is yes, does he think it is a good thing for Canadians to increase the level of foreign investment in this country?

Mr Assad: Mr. Speaker, to answer the hon. member's first question, I am not convinced—and my opinion is based on a number of articles that I read on the subject—that the budget brought down by the government will decrease the deficit. Certainly not. And that is because the expenditures it must cover are not capital expenditures. Since it is going to continue in the same vein, it seems to me there will be an increasing number of people who will find it difficult to pay their debts, and there will be less revenue going into the Consolidated Revenue Fund. I do not see how that is going to help reduce the deficit.

As for the hon. member's second question, when we realize that every hour, twenty-four hours a day and seven days a week, $4 million is leaving this country in dividend payments and that the government has the nerve to reduce the withholding tax on these dividends, it is incredible. I think Canada is probably one of the few countries in the world where so many dividends are paid abroad, supposedly to pay for investments made in this country. Of course there is investment in this country, but certainly not as substantial as the dividend payments that leave this country. The government's way of dealing with these dividends is strange to say the least. You tell me the tax was reduced from 10 to 5 per cent. In the circumstances, this is unacceptable. I think all these factors would merely aggravate the financial situation in this country.

The Acting Speaker (Mr. Paproski): The period for questions and comments has now expired. Resuming debate. The hon. member for North Island—Powell River.

[*English*]

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, the debate today in this House has focused around the legitimacy of the objective in the Conservative bill that would see GST revenues allocated to debt servicing and hopefully the reduction of the debt. I think it has been clearly established from the opposition side of the House that that is a fiction.

• (1620)

I would like to expand the debate into the goods and services tax to talk about the impact on the debt. Of course we cannot examine that question in detail unless we take a look at the debt. In this country I think Canadians believe that the goods and services tax is a tax which destroys business opportunity, business enterprise, consumer confidence and is a deeply regressive, repressive tax on Canada's lower income Canadians. A consumption tax in those lower income brackets truly harms Canadians. It is extremely difficult to come up with the cash to make purchases when you must add an extra 7 per cent. It cools out the business activity in local economies right across Canada. It creates unemployment. It creates reduced business activity and over all it has been a very harmful and repressive tax in Canada.

It is not the only source of our debt. It is interesting to watch how that debt is mounting. The Conservatives assure us that they are taking measures that will reduce that debt but that is not the case.

I would point to the Canada-U.S. trade agreement as one of the great debt generators in Canada. That is an agreement to move Canadian factories to the United States from a high-wage area to a low-wage area. It puts Canadian workers on social assistance. It is so much harder now to collect unemployment insurance because the Conservatives, instead of assisting people through that mechanism, have actually just put it beyond their reach.

The Canada-U.S. agreement is an agreement to move Canadian jobs to the United States. We have now 1.5 million people out of work and it will continue to increase. In the area in which I live, we are going to watch newsprint be manufactured in the United States instead of Canada. We are watching harm come to us through the softwood lumber and the fishing industry. These are all Canadian jobs that have moved to the United States. That is a new source of debt, and an enormous one. That agreement is the agreement to make Canada the Puerto Rico of the north.

The debt in Canada is of course growing. The bill before us today to allocate GST revenues to service the debt is of course nonsense. This government is forging ahead with a North American free trade agreement with the United States and Mexico. That agreement is nothing more than an agreement to move Canadian jobs all the way to Mexico and not stop in the United States.

Those jobs in Canada would pay $14, $15 or $16 per hour with maybe another $8 to $10 benefit load for life insurance, medical and dental care. One expects this for producing quality goods. These jobs will go to Mexico where they will pay 80 cents per hour or about $6.40 per day if they manage to achieve an eight-hour day. There will not be any benefits so the load above that will not be very much. There will be no environmental or other standards or any health care provided.

At 80 cents per hour we do not have a chance as Canadians. More Canadians will wind up on social assistance because by that time it will be extremely hard to continue to provide an unemployment insurance scheme. It will also be very hard, if not impossible, to provide a health care scheme, social assistance and all

the other income nets and supports that we expect in this country. That is because of the Conservatives' goal to create a North American trade agreement with Mexico on a playing field that is extremely unfair.

It is those three things. The GST is a very harmful tax that this government has inflicted on Canada. The Canada–U.S. Free Trade Agreement is a very harmful agreement that is gutting the economy of Canada and will continue to do so as long as it is in existence.

The true folly of this government is going to of course be the North American trade agreement in which it hands over the balance of jobs in Canada to Mexico at 80 cents per hour.

I consider that we are in a period of choice. We are virtually four years into the term of this government and people have to start making choices. The choice that is being offered by the previous speaker is as clear as I have ever heard it articulated. This is the choice of the previous Conservative speaker in this House who said: "Our government, the Conservative Government of Canada, in this Parliament would rather be right and unpopular". It was pointed out that being unpopular means that you do not enjoy the confidence of Canadians. Canadians do not believe you are right sending their jobs to the United States. They do not believe you right sending the factories to the United States. Canadians do not believe that you are right imposing a tax that destroys business opportunity and business activity and which is a repressive, harsh tax on Canadians.

The Conservatives are truly unpopular. Canadians do not believe that a government is right to join in a trade agreement which would export Canadian jobs in the forest, auto, or textile manufacturing industry, which pay $10 to $15 per hour, to Mexico to be worked at by Mexicans at 80 cents per hour without protection and without human rights. It is a disaster.

This government is not only extremely unpopular and absolutely committed to ignoring the will of the people, but it is absolutely wrong.

There is a fundamental flaw in the way the choices are being laid out at the present time for Canadians. I think that Canadians have to realize that this problem is also going to happen with the election or the choice of a Liberal government in the future. The Liberals believe in the GST. They have indicated clearly on each public occasion that they will keep the GST which is a harsh, repressive tax which destroys business activity and opportunity—

The Acting Speaker (Mr. Paproski): On a point of order, the hon. House leader of Her Majesty's Loyal Opposition.

Mr. Dingwall: Mr. Speaker, the hon. member who has just spoken may be suffering from a timely illness and perhaps his medication has overtaken him. He should, in making interventions on the floor of the House of Commons, at least attempt to try to have one scintilla of truth in the remarks that he is making on the floor of the House.

The Acting Speaker (Mr. Paproski): I will listen to the hon. member for North Island—Powell River.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I expect the Liberal Party to protest this matter loudly and across the country, but that is the state of the matter. It is that the Liberal Party will not reject the GST.

The second thing that has occurred concerns a matter of choice. When members of the Conservative Party stand up and say: "We support the GST, we support the Canada–U.S. trade agreement and we support a North American trade agreement," it is clearly on the record in the House of Commons and in every media outlet across Canada that the Liberals will retain the Canada–U.S. trade agreement. It is a harmful, destructive agreement that creates additional debt in Canada which this GST bill today is supposed to pay.

We have a situation where that destructiveness and that export of Canadian jobs is a policy of the Liberal Party.

Mr. Dingwall: Will the hon. member entertain a question?

The Acting Speaker (Mr. Paproski): I think you will have an opportunity to entertain a question after questions and comments.

Mr. Skelly (North Island—Powell River): Mr. Speaker, my hon. colleague from the Liberal Party, the one that—

The Acting Speaker (Mr. Paproski): Order please. There will be an opportunity for questions and comments. I would hope that the hon. member would give him an opportunity to complete his speech and then we can get into questions and comments.

Mr. Dingwall: Yes, Mr. Speaker, I will certainly oblige with the Chair's direction but perhaps the hon. member, in reflection when he is making his comments, could indicate to the House if he is deliberately misleading the House in terms of what he has just said.

Mr. Skelly (North Island—Powell River): Mr. Speaker, of course the acid truth of this is to have the leader of the Liberal Party stand up and say: "We will cancel the trade agreement, we will end the GST and we will not sign a North American trade agreement". That is not what they are saying publicly.

In this House of Commons the Prime Minister indicated during debate one day that no country which has a bad human rights record should receive Canadian aid or trade. The Liberals moved an amendment to delete that so that the trade agreement could go ahead.

We have a very clear choice in Canada today. As much as my colleagues in the Liberal Party protest it, their position is no different from that of the Conservative Party. Canadians wait with bated breath to hear them say that they will get rid of that trade agreement with the United States, that thing that destroys our sovereignty, hands control of our energy over to the Americans, allows complete buy-out of Canadian industries and watches Canadian factories and jobs go across the line.

• (1630)

It is clearly on the record. There is an understanding that the Liberals cannot give up the corporate donations. They are badly in debt and badly damaged from the last years wandering in the wilderness. They have no policy that appeals to Canadians. Unfortunately we have a situation where they say that they will tinker with it and make it better for people, but in fact they will keep the GST, the trade agreement with the United States and the trade agreement with Mexico.

Every Canadian stands and waits for members of the Liberal Party to stand up and say that they will abandon these destructive instruments of the Tory government. To date they have not done that. They say they will keep them and use them as well as the Conservative government has done.

On the other hand, the NDP says that if we are elected they are over: the GST will end, the Canada-U.S. trade agreement will end, and there will not be a North American trade agreement.

It is a matter of fundamental choice for Canadians. We have the Conservative Party that says it will not be deterred by the fact that it is the most unpopular government in Canadian history and that it would rather be right than enjoy the confidence of the people.

Then we have the Liberal Party that told Canadians in 1974 that it would not impose wage and price controls. Then once in power it imposed wage and price controls. People in Canada know and understand the Liberal Party as the purveyors of untruth and fiction.

Today we have an opportunity for those who moan and bellow in the House, those who have been wounded by the truth, to stand and tell Canadians that they will get rid of the GST because of the destruction it has wreaked on Canada, they will get rid of the Canada-U.S. Free Trade Agreement because of the destructive impact it has had on Canada, and that they will not participate in a Mexican involvement in a North American free trade agreement because of the tremendous unfairness to Canada and Mexico.

Their leader runs and hides every time these critical questions come up. At least the leader of the Conservative Party, the Prime Minister of Canada has no qualms about standing out there and saying: "I do not care what you think. I am right". But the leader of the Liberal Party waffles and shifts. Nevertheless, when his members are cornered they make the statement that they are in favour of the GST, in favour of the Canada-U.S. trade agreement and in favour of the Mexican agreement.

On the other hand, the NDP believes that these instruments of the Conservative government are among the most destructive things that have ever been inflicted on Canada. Once elected, an NDP government will banish those from the land.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, what a glorious opportunity it is today to hear an hon. member from that particular party stand on the floor of the House of Commons and quote from a bible, and it is gospel. The only one he has to refer to is the hon. member who happens to be the premier of the province of Ontario. I guess he wants those of us in this Chamber, on this side of the House as well as on that side of the House, to follow the prescriptions of the premier of the province of Ontario.

Perhaps he would be kind enough to indicate whether or not he concurs with the steps that have been taken by his colleague, the premier of the province of Saskatchewan, when large numbers of hospital beds have been closed as a result of the actions of that provincial government. It was not less than 48 hours ago, in terms of House time, that the hon. member and his party condemned other provincial governments.

Let us see if he has the intellectual honesty to stand in his place and throw blame at the provincial governments in the provinces of Saskatchewan and Ontario.

To the three specific questions the hon. member posed, let me say to him that his medication—and it is obvious that he has taken an overdose today—has affected not only his brain, which one has questions about, but his thinking ability. The hon. member is dead wrong not on one issue, not on two issues, but on three issues. Whether you play for the Blue Jays or the Montreal Expos, you are out. We have said very clearly, I say to the hon. member, time after time after time that when it comes to the free trade agreement with the United States we will renegotiate it.

Now to the hon. member in the NDP it is called catch-up time. Bob White picked up the phone, called the leader of the NDP and said: "You really bummed up last time. You had better watch it. You had better be against this agreement. You have to tear it up and you have to get rid of it". That is the position of the NDP.

With regard to the GST, the leader of the Liberal Party responded very clearly on the floor of the House of Commons. I do not want to question the attendance record of the hon. member because I know he is probably here all of the time. Perhaps on that particular day he must have missed the interventions of the leader of the Liberal Party of Canada who responded clearly and unequivocally to whoever asked the question on the floor.

With regard to the North American free trade agreement, the hon. member must be in a trance. He must be completely out to lunch. We are the party that has been challenging the government opposite to produce the necessary documents, to provide us with the information, and to inform us as to what the substance of that agreement is going to be. We have set the preconditions it must meet before there can be a consummation. We have looked at this as an opportunity to open up the free trade agreement.

I say to my hon. friend that before he stands in his place on the floor of the House of Commons and deliberately misleads—and I use those words—the House, he should check the written word in *Hansard* to see what has been said not only in this party but on that side. Before you rise, Mr. Speaker, we know the real reason why the hon. member makes those assertions. It is because of the polls which he reads continuously. He sees that his own party in his own province is continuing to go down the tube.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I think what we have had is a demonstration of the proof that everyone is entitled to a defence. There is no better person than a lawyer to provide that defence, no matter how flimsy and ineffective it is.

I congratulate the hon. member on the bombast and the defence of the miserable position of his party. There is no unequivocal statement on the part of the member that they will abolish the GST. He did not stand in the House and say that. I would just have the public and the others reflect on the matter that he did not say that.

He did not say that they would get rid of the GST. Anyone would certainly want to negotiate a better agreement with the Americans, to terminate this disgusting agreement we have now. Of course the weak and miserable position of the Liberal Party, defended so eloquently by the counsellor from Nova Scotia, falls on its face. He failed to make the key point that they will get rid of that Canada-U.S. trade agreement.

They stood in the House in the debate. They changed the motion in order to eliminate the North American free trade agreement. They have joined with the NDP in this House asking for the Prime Minister to provide the details, the sectorial arrangements that have been made. We have all asked for that. They stand up, knowing the record of Mexico and knowing the destruction of Canada, and they will not take the position that they will not participate in that disgusting, destructive agreement.

In spite of the bombast, the member failed to deliver like his party.

The Acting Speaker (Mr. Paproski): In his my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight as the time of adjournment are as follows: the hon. member for Burin—St. George's—Fisheries; the hon. member for Don Valley East—Buy Canadian; the hon. member for Calgary Northeast—Thalidomide victims; the hon. member for Edmonton Southeast—Natural gas industry; the hon. member for South West Nova—Fisheries.

• (1640)

For those who are listening on television, perhaps their secretaries could advise members that it may be possible to enter into the adjournment debate much sooner than later. Maybe they could have members here as soon as possible so we can carry on.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, it is a wonderful opportunity here today. I am sure the hon. member will return to the Chamber, because he will want to ask me a number of questions in terms of public policy to which I would be happy to respond at any time anywhere in this country.

It is the height of hypocrisy of the NDP, particularly the hon. member from Saskatoon who is trying to leave the Chamber.

Mr. Skelly (North Island—Powell River): I rise on a point of order, Mr. Speaker. I know it is a long established practice in this House and I am hoping the member will apologize—

The Acting Speaker (Mr. Paproski): I really did not hear what the hon. member had to say but, whatever it was, if he wants to leave the Chamber that is up to him.

Mr. Dingwall: Mr. Speaker, the hypocrisy of the New Democratic Party is evidenced once again in this Chamber as we have seen across this country and in provincial jurisdictions. Its members are the first group to stand in their place to criticize each and every one who occupies a position of responsibility, whether it be at the federal level or at the provincial level.

However, when it comes to its bailiwick in terms of provincial jurisdiction, we could take for instance the province of Saskatchewan or the province of Ontario. Look at the broken promises that have occurred in the province of Ontario under the leadership of Bob Rae.

Mr. Keyes: It is a litany.

Mr. Dingwall: My colleague has made reference to it being a litany. There is no question that it is a litany of broken promises by the NDP. Its new-found interest in Atlantic Canada—and I am sure the hon. Minister of Veterans Affairs will want to agree with me because he is a reasonable man—shocked me. It really shocked me to find that the NDP, a land based party as referred to by an hon. member on the opposite side, now has a new-found interest in Atlantic Canada, and in particular the province of Newfoundland and the fish stocks off its coast.

What a hypocrisy. It is unbelievable to think that New Democrats would raise that particular issue when they have been asleep at the switch for the last number of years as it affects the fisheries.

The hon. member talked about trade and our policy as it relates to trade and the free trade agreement. We have said clearly on the record that as a government, should we be given the opportunity to form the next government of this country, it will be our public policy to renegotiate the free trade agreement because that is in the best interest of Canadians.

It is not an irresponsible position like that of the New Democratic Party after the consummation of this agreement which many of us, in fact all of us, have opposed. Nevertheless it has been consummated by two sovereign nations: Canada and the United States. Business people have made substantial investments in order to try to gear their particular business and their sector to this free trade agreement. I do not like it, but that is the reality we have in Canada.

They say: "Now we are going to abrogate. We are not going to renegotiate". They are dreaming in Technicolor. We are dealing with the United States. We are not dealing with some banana republic where we are going to

waltz in and say: "No way, Jose, you have to renegotiate".

The Liberal Party of Canada has taken a responsible position as evidenced by the comments of our leader on the floor of the House of Commons as well as across this country.

That was his first point. With regard to the GST, what did NDPers do in Ontario? What have they done in Ontario? Where has the opposition been for Mr. Rae on the GST? Where is the opposition from honourable Roy in Saskatchewan, or Mikey in British Columbia? What have they done on the GST?

Have you seen ads on television? Have you seen ads in the newspapers? Have you heard radio clips? Have you heard them debate in the provincial legislature what they think of the GST?

In fact Mikey in B.C. would not even call the House back to listen to the views of members on the subject matters of the day.

Mr. Speaker, is that not hypocrisy? Perhaps it is not hypocrisy in the mind of the hon. member. That may be the case, but I suggest to him through you, sir, that it is hypocrisy. It is hypocrisy in its best as Canadians will demonstrate clearly when the next election rolls around.

We have said we will eliminate the GST and we will put something in its place. But when the New Democratic Party is asked what it will do in terms of eliminating the GST, the members hide underneath their desks. They run under the pool tables. They jump into the pool. They talk fast. They run away. They will not respond to the question.

But when you are an irresponsible third-party rump which is losing its appeal across this country, no wonder you would do that. And if any respectable individual would not accept what I have just said they should stand in their place and refute me in debate.

If not, they lack the intestinal fortitude and should not be afforded the opportunity to be re-elected to this Chamber of this House under the banner of a New Democratic Party member.

Finally, the North American free trade agreement. As I said earlier in my comments our trade critic, our associate trade critic, our critic for external affairs and our leader have clearly spelled out our position with regard to the North American free trade agreement.

What the problem is for the hon. member to the left is that he does not like that particular opinion but he knows that Canadians believe us and believe us to be responsible as shown most recently by the various polls that have been produced. They are quite nervous about it.

I can understand that because the leader of the NDP, notwithstanding the divisions in her own caucus, notwithstanding the attack from internal labour sources and labour representatives, cannot go down to the United States and meet with the President of the United States as the leader of the Liberal Party of Canada has done, and say "Mr. President, business is business and friendship is friendship".

That is what scares the New Democratic Party members because they know in their heart of hearts and in their minds that we have carved out the appropriate public policy measures for this country to pursue.

We do not have the answer to each and every question that may come up on any given day on any particular topic, but we are not the NDP. I do not want to be the NDP because as I said earlier they practice hypocrisy at its best.

So I am going to stop now and give the hon. member an opportunity to pose a question and I will respond in kind.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, it is an interesting thing that in this House noise seems to replace the truth at times. When the hon. member stands in his place and creates a noise at the decibel level that he did he certainly missed several points.

I for one would be extremely pleased to hear the Leader of the Official Opposition stand in his place and say that if his party is elected he will end this Canada-U.S. trade agreement. It will end. He has not said that. If it is irresponsible, as one of the Liberal members says, to end an agreement that is so destructive in Canada, then I think Canadians have a choice. I think the polls will actually change as long as the Liberal members say: "I believe it is irresponsible to cancel that agreement".

• (1650)

What I am proposing is a choice: stick to your position. Clarify your position. We are not overly concerned about the Conservative Party of Canada because it sticks to its position, as insane as it is. At 11 per cent in the polls the Conservatives are not a problem at this point in time.

Clearly the problem right now in the minds of many Canadians is a clarification of the Liberal position, a position that says that the next federal election will not be the last federal election, that by the process of an economic union with the United States through this trade agreement, by a trade agreement which replaces Canadian labour at reasonable wages with benefit packages at 80 cents an hour, that the Liberal Party of Canada will not let that happen.

At this point in time, in this House, in debate, member after member over there stood up and said they would continue on with those negotiations to an agreement with Mexico. A statement that they will renegotiate the agreement is not good enough in the minds of Canadians, they honestly need a statement that the agreement we have is unacceptable and must be terminated. The negotiations that follow could produce a reasonable agreement. We could deal with the trade imbalances by negotiation, but we cannot keep this agreement and keep Canada.

The GST must go, Mr. Speaker. If they make that statement publicly through their leader I think that we will all move forward a great deal.

Mr. Dingwall: Mr. Speaker, when they are throwing softballs across the way, you know you can hit them out of the park. I mean, this is just absolutely ridiculous.

As I said earlier in this debate, and perhaps there may be a new viewing audience who are watching television right now, but the hon. member's medication has taken hold. I am very certain that it has gone very deep into the mind and into the soul and into the heart, into very fibre of the hon. member, because he is living in a completely different world from reality.

On a Canada–U.S. deal, our party has said very clearly that we will renegotiate the deal. The hon. member says that that is wrong, that that is terrible. If the hon. member feels that way, I am confident of my leader, of my party, of my caucus, and those men and women who will run for us in British Columbia. I am very confident of them. Let's go to the polls. Let the voter decide. Let your constituents decide which is the most appropriate measure to pursue at this point in time.

But to say that when an agreement has been consummated between two sovereign nations, has been put into place and is operating, much to the discredit if you will of Canadian industry, that we as a nation upon election will immediately abrogate the deal without attempting to renegotiate some of the more substantive parts, I will allow the average and ordinary Canadian in British Columbia, in the member's own riding, to determine which is the most responsible public policy to take. I am very confident of the outcome.

With regard to the North American free trade agreement, the hon. member must realize that this issue has been debated in this House time and time again and we have said repeatedly that this is an opportunity for Canada through that particular vehicle to renegotiate the free trade agreement. There are some major measures which I am sure the hon. member would want to see renegotiated, such as the energy provisions. He would want to see something on that. He would want to see something clarified in terms, I am sure, of monetary policy. He would want to see things clarified in terms of social programs. That is an opportunity.

The hon. member does not understand that because he does not want to understand it. He is part of the NDP, the typical old CCF–NDP, criticize, criticize, criticize until one day, because of a freak accident in Canadian history, you wind up and you become the premier of Ontario. What happens then? You break every promise that you every made and every position that you ever took. It is the same in Saskatchewan, the same in British Columbia.

I say, through you, Mr. Speaker, to the hon. member that the best test as to who is the best and who is right and who offers the best public policy is let us go to the polls and stop cosying up to your Tory colleagues across the way. That is the problem.

Mr. Darryl L. Gray (Bonaventure—Îles-de-la-Madeleine): Mr. Speaker, I listened with great interest to the two opposition parties that are seen this afternoon on

the floor of this House of Commons to be arguing over the government policy.

Fiscal responsibility, of course, is why we have been elected since 1984. The free trade agreement was negotiated to protect the workers. At least I respect the fact that the Leader of the Official Opposition says that he will renegotiate the agreement. But what parts of the agreement will they renegotiate?

The GST, which they wish to throw out, as Canadians know we have to keep our social net of programs that we have. They will replace it with what?

I would say in the short time you allow me that when these gentlemen from the opposite side—and I do say gentlemen—ask the government and when they are talking to the Canadian public about this, our answer very clearly since 1984 is that we must face up to reality. For them to put in the smoke and the mirrors is not good enough. I would ask the Leader of the Official Opposition concerning the GST, what percentage would he put in with a new tax and how would he impose it?

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, my question is concerning the bill, Bill C-21. I would like to ask the hon. member whether he believes that this bill is going to solve Canada's debt and deficit problem? How would he address that problem? It is a very simple question.

Mr. Dingwall: Mr. Speaker, I want to congratulate my colleague on a very intelligent, a very prudent and a very wise question. I will be equally wise and prudent as the hon. member and respond to him in this way. No, it will not. This bill will do very little, if anything, in terms of the debt.

I want to thank the hon. member opposite, who stood in this place, like I, and condemned those socialists, those old CCF-NDPers coming in this House, full of hypocrisy, as I am sure the hon. member would want to agree to, and making scandalous comments about the role of the Official Opposition and, to a certain extent, that of the government.

I want to say to my hon. colleague, he should be aware that when he talks about the GST, that it was his government which inherited a debt, they say, of some $187 billion and the debt today is well over $400 billion. So something must have happened over the last eight years.

We have had the proliferation of taxes, numbering in excess of 32, on Canadians. The Tories said they were putting those taxes in to raise additional revenue but the deficit has doubled under the Conservatives. The minister of tourism has entered the Chamber. Perhaps he will want to say a few words as well, but this is the government which promised in 1984 and 1988 that they were going to be prudent managers of the public purse.

We have seen anything but prudent management of the public purse. We have seen all sorts of examples of waste in this government which we have brought to the attention of this House of Commons. I would only hope that members opposite would amend their ways as soon as possible. Give Canadians the opportunity that they seek so overwhelmingly and that is the opportunity to go to the polls so that the government will then be in a position to prove that its case is right and our case is wrong. I would love that opportunity.

• (1700)

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion.

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. Paproski): I declare the motion agreed to on division.

Motion agreed to, bill read the third time and passed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, can there be anybody left in this country who has not heard that the Atlantic fishery is in a very deep crisis, that our fish stocks are being pillaged, that men and women by the thousands in Newfoundland and in Nova Scotia have had their source of income cut off through no fault of their own?

As I suggest, there cannot be anybody left in this country who does not know that this is the case, that the fish are being pillaged by foreign overfishing and that men and women are being put out of work right, left and centre through no fault of their own.

If we are going to correct this situation two lines of attack are required.

First and foremost, or else nothing else matters in so far as this subject is concerned, we have to find a way to stop the rape of the fish stocks off the coast of Newfoundland. We have to do it. There is no time left. It has to be done now.

That is why that armada of seven trawlers at this very moment is making its way out to the nose and tail of the Grand Banks. We have to send a message to the world community that this overfishing, this pillaging, this wanton rape of the fish stock has to stop and it has to stop now.

Second, the government has to lend a helping hand to those who depend on that resource for their livelihood. They are the men and women on the south and southwest coast of Newfoundland and elsewhere in Newfoundland, the men and women in parts of Nova Scotia who also depend on that resource. The government has to find a way to help these people bridge the gap. Not in the context of handouts. The reason these people are not working today is not because they are lazy; it is because they cannot find any fish to catch.

Today, just for the moment or so left to me, I want to talk about that second element, the need to help those who, through no fault of their own, are without a source of income: the fishermen, the trawlermen, the inshore fishermen, the plant workers, the men and women who cut, split and package the fish for market.

That is what I was talking about last December when I raised with my friend, the Minister of Employment and Immigration, the issue of unemployment insurance as it affects those people.

I appealed to him in particular to review the program's guidelines. When I say the program, I have in mind the Atlantic Catch Failure Program itself. I asked him to take into account that the program, as well intentioned as it might be, was not meeting the need that it was intended to meet, that whole populations of people were being excluded on technicality and technicality does not buy groceries.

Those people, first of all, want to work. In the absence of work, work which has been snatched out from under them, they ought to be given a helping hand. That helping hand ought to be given in a fair way.

As an example, let me use the gear-up program that the minister of fisheries announced some weeks ago. That had a good objective. But whoever came up with the rules must have sat down and said: "How can I make this as unfair as possible?" Mr. Speaker, if you have ever seen anything as warped in your life as those regulations, I challenge you to show me.

There are people being excluded just in terms of where they live along the coast, not in terms of how bad a fishing season they had.

My appeal to the government is to use the resources available to it to give some help to those people. It should do it in a way that is fair, so those people are not left out on technicalities, so those people are helped to put bread and butter on the table until they can get back to doing what they really want to do in the first place and that is to go out there, catch some fish and prepare it for market.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Atlantic fisheries emergency assistance program, announced on October 4, 1991, was based on a particularly set of circumstances. Many people who would normally have taken part in the coastal fishery during the summer of 1991 were not able to do so or hardly caught anything at the local level. There was a lot of ice and the consequent cold temperatures translated into poor landings of cod and capelin.

This special program provided funds for the creation of jobs and specified the eligibility criteria. Those criteria were necessary in order to make sure that the program benefited those for whom it was created, namely the fishermen and the plant workers that have been depending on fish for a long time and that did not fish for a sufficient number of weeks during the summer of 1991 to be eligible for unemployment insurance benefits.

In the Atlantic region, 249 job creation projects have translated into more than 41,000 weeks of employment for 5,864 fishermen and plant workers. This assistance was mainly provided in Newfoundland, where 4,092 fishermen and plant workers participated in more than 100 job creation projects. The projects undertaken in

numerous regions were linked to fisheries and helped improve the local facilities.

People who were receiving unemployment insurance benefits and who no longer do also tried to participate in that program. Those people are not eligible because they could get UI benefits and, in fact, many of them were already receiving such benefits. The case of people whose employment opportunities are limited is being reviewed by the Department of Employment and Immigration. Interested parties can contact their local employment centre to see if they are eligible to other programs run by that department.

[*English*]

BUY CANADIAN

Hon. Alan Redway (Don Valley East): Mr. Speaker, I do not know about you, but regularly I get complaints from my constituents about plant closings, manufacturing job losses and Canadian businesses moving to the United States.

What can we do about it? Some say we should cancel the free trade agreement. Others say scrap the GST and others like the Minister of National Revenue say we should tax Canadians who cross-border shop.

The United States also has its plant closings, its manufacturing job losses and its businesses moving to other countries. In fact, between June 1991 and January 1992 there were some 350,000 industrial, retail and service jobs lost in the United States. General Motors is laying off some 74,000 American employees and closing 12 United States auto plants; IBM is reducing its American staff by some 40,000; 22,000 American jobs are disappearing at Pan American Airlines.

It did not just start recently. Between January 1989 when the free trade agreement went into effect and December 1990 the U.S. lost one million manufacturing jobs alone.

Were these American job losses the result of the free trade agreement, the GST, cross-border shopping or a made-in-Canada recession? I hardly think so.

What then can we do if we are truly concerned as Canadians about Canadian manufacturing job losses? Clearly there is one obvious answer at least and that is to buy Canadian. If you buy Canadian and you buy a Canadian-made product you create income for other Canadians to spend. Unlike the Americans and the Japanese, Canadians too often forget that their jobs depend on their Canadian neighbours having jobs as well.

• (1710)

Obviously, in addition to individuals buying Canadian, there is a role for government too. Back in 1962 the Ontario provincial government, under the then Premier John Robarts and an initiative started by the Hon. Bob Macaulay, there was a buy Canadian campaign. It is time that our government instituted a campaign like that as well. Also, it is time to publish a list of the companies that actually manufacture goods in Canada.

A few weeks ago I asked the Minister of Consumer and Corporate Affairs if he is prohibited by the Canada-U.S. Free Trade Agreement from initiating a buy Canadian campaign. He did not answer my question at the time. I hope he does tonight because Canadians are watching and listening carefully.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the simple answer to my hon. friend's question is no, there is nothing in the free trade agreement to prohibit such a campaign being carried out any more than there is anything to prohibit the United States from carrying out a buy American campaign.

Mr. Redway: Are you going to announce one tonight, Jim?

Mr. Edwards: The hon. member asks me if I am going to announce one tonight. I regard my hon. friend as a free enterpriser and I think that the appropriate thing is that Canadian industry and the Canadian consumer associations have a role for themselves to play in this regard, rather than having the heavy hand of government intervene.

I do not believe that buy American campaigns in the United States are sponsored by the United States government. I believe that they have their origins among the consumers and perhaps even among unions. Trade unions would be a very appropriate vehicle for that.

Mr. Redway: Do not forget the Progressive Conservative government under John Robarts.

Mr. Edwards: My friend says remember the government of Ontario. It was a different age, an age of government intervention. I think the less intervention we do, the better.

I would remind my hon. friend that back on February 7 when he posed this question, the minister did respond by saying this: "When we look at housing, transportation, food, health and education and we compare with the Americans, the cost of living in Canada is lower than that of the United States".

As this House knows, Canada must be able to answer concerns from other foreign governments about any special treatment we are perceived to afford Canadian-made goods and services in comparison to foreign-made goods and services offered for sale in the marketplace.

There is another level of concern. What, for example, constitutes a Canadian suit or dress when the component materials originate outside this country and are made into garments by Canadian workers? How would one answer the question of what, in fact, constitutes a Canadian automobile? There is intense international debate about these matters.

The domestic content of automobiles, for example, is currently a matter of discussion between Canada and the U.S. as both countries try to maintain vehicle production levels.

Finally, like consumers in most countries, Canadians are first and foremost price conscious and have a demanding sense of quality. Value for money is of paramount importance. Budget conscious Canadians undoubtedly base their shopping decisions on value rather than country of origin and because pricing is considerably competitive, that will advantage Canadian companies.

THALIDOMIDE VICTIMS

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, on March 18, 1992, I asked the Minister of National Health and Welfare to review decisions made by an unqualified official in his department, Mr. Greg Smith. These decisions legally and medically affect three thalidomide victims in my constituency, Darcy Petkau, Mrs. Cheryl Wood and Laurel Webb. The minister's response in the House to my question was irresponsible and arrogant. He simply said no.

I would like to remind the minister that on February 13, 1990, when this program was announced in the House by the Minister of National Health and Welfare the minister said: "This program would be on the basis of compassion and understanding and not liability". As well, he went on to say: "I would like to assure everyone in the country that the funding I am announcing today is over and above the settlements the victims received from the manufacturer of thalidomide".

He also indicated that the government estimated that there were only 75 to 100 people living in Canada who were affected.

I dispute his numbers because I was practising medicine at that time and I know how many people were prescribed thalidomide at that time. Basically what the current minister is now saying is that the victims must either have been on the original list which the department compiled in 1963, or have received a settlement from a drug company.

There are many additional victims who can and are producing legal medical records as proof, like my three constituents, for their eligibility for the program. However, the minister and his departmental staff are stonewalling.

I would like to quote a letter from one of those constituents, a letter written by Dr. Boyar on October 18, 1991, to Mr. Greg Smith, Director, Extraordinary Assistance Plan, here in Ottawa:

> Dear Mr. Smith:
>
> This is to confirm that I did deliver the above patient on 07 May 1962 while still in general practice. His birth defect is a classical thalidomide defect involving his left hand. This has been recently documented for you by Dr. Fowlow, plastic surgeon.

The doctor admits that he had prescribed thalidomide to the mother during her pregnancy.

Another medical record is that for Cheryl Wood and it is from the Shriners Hospital for Crippled Children, dated June 16, 1965. It says:

> Deformity of the left forearm and left hand, duration since birth. The mother was extremely sick during the early part of the pregnancy and used thalidomide tablets.

This is medical and legal proof that those people had been prescribed thalidomide.

I believe there is a tragic injustice being committed by the department of health and welfare and the minister. The minister refuses to take his ministerial responsibilities seriously. I ask him to be fair and honest and if he cannot be that way, he should resign.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, in June of last year the final arrangements were made for an extraordinary assistance plan for Canadian thalidomide victims and I am pleased to put before the House information on the implementation of that plan since that time.

The plan provides initially for $4.5 million to be divided equally among all eligible recipients and another $4 million to be paid on the basis of placement into one of three disability categories.

To this date 105 individuals have been confirmed to be eligible and the government has made payments to 101 of those for a total of $42,400 per person.

Medical evaluations to determine the level of disability category have been progressing well. Two-thirds of the evaluations have been completed and the rest are to be completed by the end of April. At that time payments will be calculated and paid to the recipients.

Sadly not all those who applied to the plan could be confirmed as thalidomide victims but the criteria for the program are clear. There must be proof of maternal consumption of Kevadon or Talimol, the two brands of the drug available in Canada at that time during the first trimester of pregnancy. There is no other means to determine whether someone is a thalidomide victim.

There are a number of ways of attesting to whether that is—Mr. Speaker, are you allowing me to conclude or telling me to conclude?

• (1720)

The Acting Speaker (Mr. Paproski): I am allowing you to conclude.

Mr. Reid: Thank you, Mr. Speaker, I will be quick.

Anyone who received a settlement from the drug company already proved the question of maternal consumption of thalidomide in that context. Others were identified, as my colleague has said, during a major national research study in 1962-63.

The government has also taken steps to provide non-monetary support, providing up to $1 million in funding for services needed by thalidomide victims.

In summary, the extraordinary assistance plan is a significant response to Canadian thalidomide victims, and the delivery of the plan to eligible Canadians is progressing well.

NATURAL GAS INDUSTRY

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, natural gas is a vital part of the economy of my province as well as Canada's energy future. The region enjoys a large surplus of natural gas reserves which has allowed us to extract this very clean burning fossil fuel for export. More gas projects are under way and there has been very heavy competition between two pipeline consortia for rights to build a new export pipeline out of Alberta to the southwestern U.S.

Natural gas exporters from our province have been fair in their trading activities with our friends to the south beginning last year. However we saw that these exporters had to deal with certain regulators in the state of California who were not interested in playing fair. To put it bluntly those regulators, the California Public Utilities Commission, chose to take advantage of our suppliers by blackmailing them for shorter term supply contracts.

In late November of last year those regulators ordered the largest utility in northern California, Pacific Gas and Electric, to dump its long-term contracts with western Canadian gas producers.

It is a clear violation of article 905 of the free trade agreement. I rose therefore in this House on December 5, 1991 to ask the minister of energy if he agreed. He spoke of joint press conferences, consultations with western provincial energy ministers and consultations with the U.S., but he would not give a simple undertaking to support the claims of our suppliers.

The question was simple: would the minister lend support to groups such as the Independent Petroleum Association of Canada? A review of the matter was held in front of the National Energy Board. Speaking personally I hoped that this issue would transcend partisan cleavages between the minister and myself. I was mistaken, because when the minister rose to answer the supplementary question he said that he could not even bring himself to speak to the question.

He said in the House at the time:

> I mean I don't know where this guy is, except that he just wants to make a point in the House.

That is a former teacher talking. It was very confusing. Why else would one want to speak in the House if one did not want to make a point? The minister obviously believes that any member who rises in the House and does not sing the praises of the government is some type of an obstructionist nuisance.

The interventions in this dispute over natural gas are based on a sincere desire to see it resolved as quickly as possible. I hoped that desire might converge with that of the minister of energy. If it did, I hoped that our converging desires would have an impact on the California Public Utilities Commission, but it seems that this government, as in so many other issues, would rather see our natural gas industry twist in the wind as far as its most profitable export market is concerned than actually presenting a united front in opposition to those moves in California.

I had written to the governor of California on the matter in mid-December. A reply has not been received, but since the letter was sent 190 western Canadian gas producers and distributors are no closer to receiving fair treatment from the California Public Utilities Commission. The action of the commission has had the effect of exerting downward pressure on the already depressed price of natural gas. Furthermore, in an age of deregulation its demands that California utilities purchase only short-term contracts has the effect of distorting fundamental conditions in the marketplace.

Our Natural Energy Board has made a good attempt in trying to mediate and resolve this state of affairs. Unfortunately the NEB has no regulatory authority over the actions of the California commission.

It would seem to any reasonable person, I suggest, that the consultative mechanism for energy matters in article 905 of the free trade agreement will have to be used. Unfortunately the government has yet to inform the House whether it has chosen to use this option to resolve the dispute which puts into jeopardy several thousand jobs in Alberta and British Columbia. If it has, it has refused to inform the House about any progress in the consultation.

I would therefore ask the parliamentary secretary or some parliamentary secretary, to rise in the House and deal intelligently with the question.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, in reply to the hon. member for Edmonton Southeast I would just like to review some of the facts.

In December 1991 the Governments of Canada, Alberta and British Columbia and the Canadian natural gas industry agreed on a three-party strategy to respond to the California Public Utilities Commission's capacity brokering decision.

First, it was decided that consultations should be initiated to convince the CPUC of the need to rely on commercial negotiations.

Second, regulatory options would be examined to maintain the integrity of the first export agreement until a commercial restructuring by the commercial parties was concluded.

Third, our options and remedies under the Canada-U.S. Free Trade Agreement would be carefully examined.

That consultative process commenced immediately and the representatives from the governments of Alberta and British Columbia and staff from the California Public Utilities Commission were invited to attend the regularly scheduled Energy Consultative Mechanism, the ECM-gas trade talks meeting between the Canadian and American federal government officials.

Discussions have continued under the umbrella of these special gas talks for the past few months with favourable results to date. It is important that we note that these discussions are intended to promote a regulatory environment that will facilitate a commercial solution. They are not intended to substitute for commercial negotiations.

In the interim the Canadian Petroleum Association, with the support of the Independent Petroleum Association of Canada, requested the National Energy Board to review the 1989 decision to extend the Alberta and Southern natural gas export licence. As a result, the board adopted interim measures to prevent the potential erosion of long-term contracted natural gas exports to northern California. These interim measures are subject

to the outcome of the board's public hearings which are conducted in Calgary.

At this time I believe it is preferable to continue constructive dialogue with the CPUC as a means of resolving this dispute. The value of such a non-confrontational process should not be discounted. Nevertheless, should these talks not prove fruitful, we would still have at our disposal the ability to seek recourse under the Canada-U.S. Free Trade Agreement.

I might add that I am cautiously optimistic that these talks will lead to a successful conclusion that will be mutually beneficial to the energy trading relationship and for it to continue in the future.

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I asked a question on the lobster fishery back on December 4, 1991 and my supplementary question was on quota. I want to deal with both of them.

At the time, I was asking the Minister of State for Transport, because of the opening of the season, and because of the crisis as far as price went in the lobster fishery, whether she would ensure that there would be cargo space available for York, which is a very lucrative market for the lobster fishermen from Nova Scotia and, for that matter, for other areas that ship their cargo of lobster to Europe.

At the time she said yes. It is now four months later and I have never heard back from the minister. Maybe tonight I will hear from the parliamentary secretary what will be done in the future in order to ensure, particularly when the season starts, that there is access to cargo.

Unfortunately, Mr. Speaker, the price back then was probably around $2.50; today it is a hefty $7.95 or $8-and-something. On the weekend it was said it might even go up as far as $10. If it is priced that way, the market is probably hard to fill at that price, but at the same time the number of lobsters has gone down.

The other question I raised at the time had to do with quotas, whether or not the groundfish would see an increase in quota for 1992.

At the time, that question was addressed to the parliamentary secretary. He is here in the House today and he answered: "I can tell the hon. member opposite yes, we will look into that immediately".

As a result, there were no increases for the sectors in groundfish. The only thing that has increased that I can see, and I think it is of grave concern, is the number of licences that have been issued for gill nets. I heard on the weekend that there are now 900 gill net licences in Scotia-Fundy, in one area. It is an incredible amount.

There will be a meeting on April 14 to see if these gill-netters can go to George's to set their gill nets on quota. A few years ago there was an over-capacity in one sector for groundfish and all of a sudden there are 900 licences that appear for gill-netting fish on the east coast. It is a real crisis.

If there are no fish and the boats are not able to fish, why the abundance of licences? Why are they going to George's Bank? When the UN has banned gill-nets, why is this government now opening up a gill-net fishery that never existed in the past in the ground fishery?

When you cannot find more quota there should not be this enlargement of activity that is going on out there. I wonder what the longliners think about all the gill-netters who will be fishing where they are. I think of the numbers that have been reduced in the dragger sector with all the gill-nets that are going to be there. I think of the poor stocks on George's Bank and in the Bay of Fundy that will be hurt because of loose gill-nets floating around the bottom and capturing the sea life there. Gill-nets are very harsh.

Perhaps the parliamentary secretary might want to bring that matter up. Since then, there has been no issue of additional quotas in the groundfish sector. But all of a sudden, there is an addition. When the quotas were announced in January, there were no additional quotas given, but there were these numbers of licences given.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, the hon. member opposite is covering a wide range of subjects.

She asked about the amount of freight space on airlines going to Europe. The hon. member should remember that the government does not control any of the airlines that travel back and forth to Europe. It is not under the jurisdiction of the Department of Transport who set the regulations in place for how the airlines operate.

More particularly, with respect to the groundfish quotas for 1992 for the Scotia–Fundy region, the groundfish plan on December 23 was released for the coming year. The total allowable catches for the Atlantic groundfish were set at the level scheduled within the multi-year groundfish plan which was introduced in 1991. The decisions announced for 1992 were based on the advice of CAFSAC, the Canadian Atlantic Fisheries Scientific Advisory Committee. They are also the product of consultations throughout the year with the fishermen's organizations, the industry and the provincial government.

The management measures introduced in 1991 for the 4VN winter cod fishery will continue to protect the juvenile cod and control dumping and the discarding of fish and enhance the data base for assessing the stock. Observer coverage, which had reached about 70 per cent the year before will be raised to 100 per cent and a program of observer-estimated catch will be established for 1992. As well, to alleviate the concern about the migration of the 4T cod to division 4VS, catches in the 4VS between January to April will be limited to 12,000 tonnes, based on the 4VS catch average of recent years.

For 1992 the fishermen will not be forced to transfer quotas. Under the current system transfers of fish are only acted upon after they have been requested by licence holders. At no time are fishermen requested to transfer quotas to companies.

The future of the Atlantic groundfish industry rests on responsible fisheries management. This means looking at the issues in a careful, open manner. It also means reconciling the needs of groups and communities for economic benefits today with the overriding duty to conserve and sustain the resource for future generations.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion that the House do now adjourn is deemed to be adopted. The House therefore stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 5.33 p.m.

HOUSE OF COMMONS

Tuesday, March 31, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

CRIMINAL CODE

TABLING OF DRAFT REGULATIONS

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, pursuant to subsection 116(2) of the Criminal Code, as enacted by subsection 28(4) of an act to amend the Criminal Code and the Customs Tariff in consequence thereof, and pursuant to Standing Order 32(2) I would like to table, in both official languages, the following draft regulations: cartridge magazine control regulations, firearms acquisition certificate regulations, prohibited weapons control regulations, restricted weapons and firearms control regulations, storage, display, camping and transportation of certain firearms regulations, and genuine gun collector regulations.

* * *

PETITIONS

VIOLENT CRIME

Mr. Mifflin: Well done.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I thank my gallant and learned colleague from Bonavista—Trinity—Conception for his very kind words, and my other colleagues of course, but I could hear the words of the hon. member for Bonavista—Trinity—Conception.

• (1010)

I want to present a petition signed by numerous residents of Kingston in my riding of Kingston and the Islands who are concerned about crimes of violence against the person as being intolerable and constitute an abhorrent crime. They request that Parliament in recognition of that fact amend the Criminal Code of Canada, the Bail Reform Act and the Parole Act.

YOUNG OFFENDERS

Mr. Rex Crawford (Kent): Mr. Speaker, it is my honour to rise once again, pursuant to Standing Order 36, to present a petition on behalf of the Moravian Indian Reserve which is in my riding of Kent.

The petition states:

> The petition of the undersigned residents of Canada who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy.
>
> Humbly sheweth;
>
> Whereas the majority of Canadians support equal treatment of criminal offenders but with legislated age shelters from criminal law for the very young adolescents and;
>
> Whereas chapter 15 of the charter of rights guarantees equality rights,
>
> Wherefore the undersigned, your petitioners humbly pray and call upon Parliament to:
>
> Revise the laws of Canada to replace the Young Offenders Act with an updated Juvenile Delinquents Act with a lowered maximum of age 13 years.

UNEMPLOYMENT INSURANCE ACT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour and privilege to present a petition on behalf of hundreds of employees of Canada's railway systems who are concerned that railway employees who were suspended for accidental violation of the Canadian rail operating rules are presently being unjustly penalized under sections 28 and 30 of the Unemployment Insurance Act.

They are calling upon Parliament to take immediate steps to specify that accidental violation of the Canadian rail operating rules does not constitute employee misconduct under sections 28 and 30 of the Unemployment Insurance Act.

May I simply add that this is about the 10th petition on this particular issue that I have presented.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have another petition on an unrelated but nonetheless very important matter from the residents of Little Fort, British Columbia. They are concerned about the proposal to divert the North Thompson River into the San Diego, California area and point out that it appears to be part of the NAWPA plan. They are asking the Canadian government to simply state categorically that our rivers are not for sale.

Mr. Derek Blackburn (Brant): Mr. Speaker, I have the privilege to stand under the provisions of Order 36 and present a petition signed by several residents of the interior of British Columbia who are also very, very concerned about the possible sale of Canadian water, that is the diversion of Canadian rivers to the United States for commercial purposes.

The petitioners urge the government to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the U.S.A. and to state that our Canadian rivers are not for sale.

IRAQ

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I too have the honour to present a petition in this House from concerned residents of the area I represent.

Their concern expressed by way of petition is over recent proposals that the President of the United States, Mr. George Bush, is considering once again bombing Iraq, allegedly to bring it into compliance with the United Nation's policy.

In fact, the threats by Mr. Bush are simply to improve his poor performance in the polls in the United States presidential campaign.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S.O. 81—WOMEN'S RIGHTS

Ms. Mary Clancy (Halifax) moved:

That this House condemns the government for its failure to protect and promote the fundamental rights of Canadian women, especially as reflected in the 1992 budget.

She said: Mr. Speaker, I am happy to be moving this motion, seconded by my revered and hon. colleague from Kingston and the Islands, but I am disappointed yet again that there is a need. There is a great need to talk about government policy *vis-à-vis* the women of Canada because policy, as presented by the most recent budget, has proven to be a major and unmitigated disappointment to the women of this country.

Piece by piece, the government is ensuring that the obstacles that Canadian women have fought long and hard to remove are once again being placed in their paths. This year, it is true, we did not suffer the same frontal assault we have in the past when institutions faced severe cuts in funding. However, the cuts that were announced this year are just as important in terms of their long-range consequences.

In the budget document, the government gave its answer to a battle that it is losing with female civil servants. There will be no retroactive payments for pay equity prior to November 1990. No matter what the courts decide, no matter what the courts say with regard to this issue, there will be no retroactive payments prior to 1990.

On the same page of the budget, we find the same sort of response to a court challenge it may also lose. "Should substantial amounts of money be involved to broaden the current program, the government will seriously reconsider the basis of the program itself." This alone, without any other added statements, is enough to create a huge sense of despair among Canadian women. The government claims to be committed to equality but only gives lip service and not action because by every one of its actions, it removes the building blocks that women may take to some form of true gender equity in this country.

The day after the budget we heard the Minister of National Health and Welfare announce that he had the privilege of killing the national child care program, a telling description, if ever I heard one.

Another major blow to the rights of women, a blow to the heart of the battle for agenda equality in this country was the cancellation of the Court Challenges Program. That is a disgrace, something that Canadians as a group should hang their heads over, but this government, most particularly, should hang its head.

The Court Challenges Program was one of the most innovative and progressive programs sponsored by this government. In other words, in a desert it was one of the few plants that was bearing fruit to benefit the people of Canada. It was a low cost program, $8.5 million over five years. That is not a lot of money.

I say to the hon. chairman of the justice committee it is not a lot of money when you are talking about equality rights. The hon. member thinks it is a lot of money. I wonder if he would think it was a lot of money if he were one of the disadvantaged that could take advantage of this program to right their wrongs, but the hon. member, being a white, I presume, Anglo-Saxon, and I presume again on his religion, Protestant or Catholic, in this country does not have to deal with the discrimination that women and visible minorities and the physically challenged and other disadvantaged groups in this country have to deal with. Yes, he turns his head. I am not surprised.

It was a low-cost program. Its cancellation will mean little for deficit reduction but the implicit message underlined by my hon. colleague over there is that this government is not prepared to help those least able to help themselves in the struggle for equality. What does this say about us as a country? What does it say about our heritage and our history in the realm of human rights? It says that the government laboured and brought forth a mouse.

Without the funding that this program provided, equality for women is a hollow concept in most instances. The charter is a mechanism for striking down discriminatory laws, but it is not one that grants access unless you have the money to pay for it. It does not guarantee access to the courts so that individuals or groups of women may challenge laws that are indeed discriminatory.

• (1020)

Going on in this same vein, women make up 52 per cent of the population. How many times have I said this in this House? How many times have others of us said this in the House *ad nauseam*? We are the majority in this country, but we are the majority who do not have either a voice or indeed the ear of the most powerful at this point.

Without the money from the Court Challenges Program, the vast majority of Canadian women are struck speechless in the fight for equality. That is what it means; women have been muffled and silenced in their fight for equality.

Must we, therefore, as the Minister for Multiculturalism and Citizenship said, rely on the provinces to defend and promote our constitutional rights? He must have overlooked the fact that in the financial arena, again many of the provinces, my province for one, are particularly hard pressed and unable to grant to their citizens the kind of funding that has long been within the responsibility of the federal government to grant. What the federal government is doing here is abrogating its responsibility and denying that it has historically and constitutionally been the repository as the guardian of rights.

This is a national tragedy.

The Court Challenges Program was important to the advancement and the outcome of a number of significant equality cases. The Andrews case is one I could cite. The Supreme Court of Canada ruled that the main purpose of the equality rights section of the charter was to benefit those who have been historically disadvantaged. Surely, surely, there is no one in this House—well, almost no one—to whom I have to explain the historical disadvantages suffered by women. We could probably start back in the garden of Eden when Eve took the rap for Adam's original sin.

Some hon. members: Oh, oh.

Ms. Clancy: Yes, indeed; yes, indeed. I am prepared to argue the theology and I am quite certain that my colleague from the New Democratic Party and my colleague, the Minister responsible for the Status of Women, would agree with me. If the rest of you theological—well, I was going to say theological illiterates, but I am sure my colleagues would agree that that

term is a little too harsh. As I check the House I do not see that any persons of the cloth are here.

An hon. member: Except yourself.

Ms. Clancy: Well, no, no, I cannot make that claim. I include in those who would agree with me on this matter the hon. member for Don Valley North, chair of the subcommittee on the Status of Women. I know she would agree with me on this, too.

Mr. Milliken: She may not have read it recently.

Ms. Clancy: Well, perhaps not, but most of us remember the story. It was the first time that we got blamed for a multitude of sins.

Further to that, to get back to the seriousness of this issue, we have the Butler case where the Supreme Court of Canada upheld the obscenity provisions in the Criminal Code, arguing that while they were a contravention of the freedom of expression provisions, they nonetheless constituted a reasonable limit under section 1, a reasonable limit prescribed by law that can be demonstrably justified in a free and democratic society. That may sound like a legalism but there is a tremendous sense of freedom in that phrase.

It was recognized that the violent and degrading acts in pornographic material are harmful to the equality and dignity of women. Does anybody in this House disagree with that? No, I do not think so. I am sure not. I do not think there is anyone in this House who would stand up and be a proponent for the kind of garbage in pornographic productions that we have unfortunately seen in this country, and I do not think there is anybody in this House who does not realize that this kind of garbage is harmful to women, both in a general sense *vis-à-vis* the way men will deal with women in general and in the particular sense of making a direct attack on the dignity and the equality of women.

If there had been no Court Challenges Program there would have been no Butler case. What would the answer be? We would be faced with the continuing inequality.

Then we have the Albrecht case. The courts ruled that upon separation or divorce, a woman is entitled to share her spouse's Canada Pension Plan benefits. How many of us have dealt with that as from time to time governments of both stripes made mistakes when they amended the legislation.

The Liberal government amended it first and then, the second time it amended it, it knocked out the provision. The Conservative government amended it, and the second time it amended it, it knocked out the provision.

Finally, the Supreme Court of Canada, through a Court Challenges case, made the definitive statement and those women are protected. Again, without the Court Challenges case, we would have been on a continual legislative merry-go-round.

Fourth case, the Canadian newspapers case. The Supreme Court upheld the right of Canadian women and children who have been raped to have their names withheld from the media. Again, it is a fundamental question of individual privacy. It is a fundamental question of choice.

I could go on and on, but it is enough in this particular area to say that the Court Challenges Program was crucial, fundamental to the advancement of women's rights. Many cases have yet to work their way through the courts. Many discriminatory laws have yet to be struck down.

Ten years after the inception of the charter, in the words of the Canadian Advisory Council on the Status of Women, the news is not good. Women are initiating few cases and men are using the charter to strike back at the hard won protections for women and the hard won benefits.

The Advisory Council continues by stating that much has yet to be done: "The barriers to women's access to the courts must be removed", and interpretations of equality which are meaningful to women must be advanced more often in the courts.

I do not know how you could say it more plainly. I do not know how it could be more evident that what has taken place here is a travesty and an attack on the rights of the majority of the population in this country.

Basically, it is a shame. We use that word in this House. Sometimes we use it lightly, but in this case, we do not use it lightly. It is with heavy hearts that those of us on this side of the House look to the government and say: Shame.

Unfortunately, the Court Challenges Program is not the only program cut which will adversely affect women. The national child care program has also been sacrificed on the altar of deficit reduction.

We all know that certain issues wax and wane in popularity in this country. We all know that it is our duty as politicians, as representatives of the people, as members of this historic House not to let ourselves be swayed merely by public fads and short-term aspirations. Child care and a national child care program is not a public fad. It is not a short-term aspiration. It is absolutely integral to employment equity for women and, in the long run, to over-all gender equality.

When Madam Justice Abella, as she is now, completed her landmark report on employment equity, one phrase became a clarion call for Canadian women and for those men, many of whom are here today, who support this philosophy that child care is the bridge to employment equity, absolutely and totally.

We all know that domestic responsibilities fall unfairly in proportion upon women. Certainly, every woman who sits in this House who is a mother knows that. It is the way of the world. What we are attempting to do is change the world to make the laws and the institutions somehow reflect the reality of all our lives.

It is incumbent upon us, it is a duty—I hesitate to use the words sacred trust but I will try them—to remember that our first responsibility in this Chamber is to the weaker, those who cannot protect themselves and those who are the disadvantaged in this society. Our responsibility is not as much to those who can protect themselves. Governments are here to protect those who are the weakest members.

• (1030)

It is clear in our modern society that the weakest members, those who have the least ability to protect themselves, are the economically disadvantaged and children. Who forms the largest segment of economically disadvantaged in this country? There is no prize for knowing the answer to this question. The answer is women.

If women cannot work outside the home, frequently the only survival for them is on the social assistance rolls. If there is not affordable, accessible, quality child care then they cannot work outside the home. It is as simple as that, particularly when their children are pre-schoolers.

There has been some sort of a groundswell response in this House, particularly on the government side, that child care is no longer important. Did I miss something? Did people stop having babies? Are there fewer children in Canada than there used to be?

No, Mr. Speaker, I did not miss anything. As a matter of fact what I have not mentioned is the fact that a million Canadian children go to food banks. Why do they go to food banks? Because their parents cannot afford to give them the proper nutritional daily meals. Why can they not afford this? Because most of those one million children who go to food banks are in single-parent families headed by women and they are in single-parent families headed by women where child care is unavailable, where child care is inadequate or where child care is not existent and where mothers are unable to get the training they need, the jobs they need, the level of income they need to deliver for themselves and their children a decent way of life.

I am not suggesting that a national child care program is a total panacea and the answer to all our ills, but it would be one major giant step in the social development of this country. It would be one major liberating step for women who need to feel at least a modicum of security about where their children are so they can devote their considerable talents and energy during the working period to their jobs so that they can feed, clothe, and house their families. Does anybody really disagree with that? I do not think so. But do we have a national child care program? No, no we do not.

Canadian women will continue to face the same situation and the same dilemma, to leave their children in less than suitable situations and continue to work or to stay home to take care of them.

As I say, with the pre-school child it is not even a dilemma. It is simply the fact that if you cannot find child care you cannot go to work. It is equally troubling that a million children in this country are latch key. The children are old enough to go to school, but I do not think any one of us would think that those children are old enough to be left alone.

I recall in my other life dealing with the Children's Services Act in Nova Scotia and looking at the definition of a child in need of protection. A family court judge of great renown in Nova Scotia, who happened to be the author of the act, Judge Louis E. Moir, said to me that if you look at those definitions, there is not one of us nor one of our children who has not fallen under that definition at some time or other. In other words, in every family, in every situation there are lapses. He said that is the reason parents go around with a heavy load of guilt

over something that has happened to a child who was left unattended or something like that.

For most people who are not economically disadvantaged and who have access to quality child care, those situations are rare and thus worries about children at least in that sense do not happen all that often. But for the single mother attempting to break the cycle of poverty, attempting to get herself retrained, attempting to find the good life in Canada, those things happen all too often.

Mr. Speaker, you give me the signal that my time is up. I have only one comment to make.

[*Translation*]

In concluding, I would like to repeat that what the women of Canada receive is well below what they deserve to receive. It is time we listened to what women are saying. We represent 52 per cent of the population of this country, but our needs and priorities are always put somewhere on the backburner. We have the money. Let's spend it to ensure that women's needs are not ignored.

[*English*]

Mr. Speaker, women deserve better. This government should pay attention. The gender gap lives.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I want to congratulate the hon. member for Halifax on her very eloquent remarks.

She dealt in particular with the cuts in the Court Challenges Program which have affected not just women's groups, but also linguistic groups and other minority groups in our society, many of which relied on the Court Challenges Program. Native groups also come to mind.

Does the member feel that perhaps part of the reason for the cuts in this program that the government has implemented so cavalierly in the most recent budget were motivated by a desire to minimize criticism of the government?

In addition to the Court Challenges Program we had things like the Science Council of Canada and the Economic Council of Canada slashed. Both of them, potentially at least, could be critical of the government. In fact, the Economic Council was very critical in some of its reports, understandably with the mess the government has made of the finances of this country in the last seven years.

I am wondering if perhaps in its decision to slice all these programs away, the government is simply trying to minimize criticism of itself. Does she feel that that was the principal motivation behind the cuts to the Court Challenges Program in particular?

Ms. Clancy: Mr. Speaker, I thank my hon. colleague from Kingston and the Islands for his question. I want to reassure the Minister of Forestry that being a woman I never, ever, ever anticipate chickens before they hatch.

In any event, with regard to my learned colleague's question, in the dissolution of the Economic Council, the Science Council and I might say also the International Centre for Ocean Development, which was cut and was of great importance to my own city of Halifax as well as to Canada's role in international ocean development, he is absolutely right. The government in that case was attempting not only to minimize, but to muffle, indeed to silence criticism, the kind of silence that Judith Maxwell in the report of the Economic Council broke and broke most eloquently on government policy.

With regard to the Court Challenges Program, it is a little different. In a sense, it is almost more sinister because it betrays a lack of awareness of the importance of the program.

An example is the pornography case, the Butler case. When these matters are brought to the attention of members on the other side and they are asked to look at them, I cannot believe that there is a single member on the other side of the House who does not see the importance of that landmark decision to the equality of women. It is not just to the equality of women I might add, but to a basic ambience in our country that Canada will not be a dumping ground for that kind of garbage.

What is the answer? What can be the answer? That is what I believe my learned friend is asking me. My response is that far too many people in this country, far too many people on the government side still do not get the point. There is still some sort of belief that disadvantaged women are some sort of minority or subgroup.

We know, the minister, my colleague from British Columbia, myself, we are all aware of the battles that we have fought individually on the question of violence against women. There is still a great amount of belief out there that the situation only relates to a subgroup, that it is not a broad base situation. We are diffusing that myth, slowly but surely.

But we are not diffusing the myth that disadvantaged women are a subgroup as well. It does not matter how many times you say it. I am not sure how many people really believe that women only make 67 cents for every dollar that men make.

• (1040)

I am not sure that people really understand viscerally that there are one million children using food banks, that there are one million latchkey children, that child care even for those who are financially well set is not that easy to find.

The long-range difficulty will continue to be a long-range difficulty until the make-up of this House and every legislature in the country reflects the population. Until 52 per cent of legislators, provincially and federally, are female we will still have that difficulty. There are none so blind as those who cannot see.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I would also like to congratulate the hon. member for Halifax for the eloquent speech and come back to a topic that she raised in some detail in her speech, and that is the child care program.

I also am a supporter of her point of view that a national child care program is a necessity. I quite agree, as she has stated, that it is not the total solution to the problem but it would certainly go a long way.

I would like her to comment on the existing programs that are available. More specifically, this time of the year is income tax time and Revenue Canada has provisions with regard to child care. I would ask the hon. member her opinion on whether she thinks that these regulations are biased in favour of those who have money, the rich, and do nothing for those who are disadvantaged at the low level of the scale, many of whom are women.

Ms. Clancy: Mr. Speaker, I thank my hon. colleague from New Brunswick for his very cogent question.

In answer, we know that the government has removed more than $3.5 billion from the child benefit system since 1986, $3.5 billion. The government's blueprint for child benefits reform is inadequate as an anti-poverty measure.

Single mothers on social assistance will receive no additional benefit from this measure. Let me underline that, no additional benefit. Single mothers with annual incomes of between $30,000 and $40,000 will receive only $44 more a year. The child benefit is not fully indexed to inflation and therefore its value will decrease over time.

It is misleading for this government to tell Canadians that a choice had to be made between child care and programs aimed at children at risk. Glenda Simms, president of the Canadian Advisory Council on the Status of Women, clearly identified the gap in logic. Child care prevents children being at risk. Why is the government therefore attempting to pit abused and hungry children against Canadian children who are in need of safe and affordable child care? It is a disgrace.

We have a problem right now with the situation as it stands. The provinces have varying and different programs. Some provinces have better programs than others; some provinces have more money to spend than others. There is no standardized child care across this country. A parent who is looking for child care has very little in the way of quality control to understand what it is. If I have time I would just like to illustrate with a brief example.

I was president of the board of the largest child care centre in Atlantic Canada, St. Joseph's Children's Centre in Halifax. I was on the board for about eight years and president of the board for three. This was an excellent facility. Through our work there we dealt with other excellent child care facilities as well.

I had a colleague, another lawyer, who was involved with another child care organization. Indeed, he was on the board. Midway through his term on the board it was discovered that the standards at the other child care facility—not the one I was involved with but the other one—had fallen well below provincial regulatory levels, that there were indeed serious problems. What had happened, as frequently happens, is the people in charge were frightened. They were afraid of losing jobs, et cetera. We all know the scenario. I remember my colleague being absolutely flabbergasted that he could be involved with this and not have known right away. It did not go on very long. It only went for about a month, but to have children in inadequate care for even a month is not a very good thing.

This sort of thing goes on over and over again. The only thing that is going to cure it is national standards and a national program for all Canadians.

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for the Status of Women): Mr. Speaker, I am pleased to rise today to participate in this debate and to discuss with my colleagues in the House the unequivocal and firm commitment of our government to equality of women in this country.

I would like to start actually with some points of agreement with my hon. colleague who has raised this motion today. I think it is important in this House and for Canadians to see that there is agreement in some areas of discussion of this nature. Certainly one of the areas of agreement would be the issue my hon. colleague raised, that the historical inequalities faced by women go back to the story of Adam and Eve. I would agree with her. That kind of historical reality has been fundamental in our western society.

Indeed it has only been realistically in this last century that we have been able to address and redress some of those significant inequalities. After almost 2,000 years or many more the kinds of changes or the acceleration of change is something we should feel very good about. It is the many Canadian women who have worked so hard during this century to make some of those changes that we would like to honour. That is one of the reasons earlier this month I announced that in October we would be celebrating women's history month, something that I hope will be established right across this country.

I do believe it is important for us to understand our roots, to understand the contribution women make to our society. I hope that all members of the House will join with us in their ridings to promote activities, whether it is honouring the famous five or many other wonderful women in Canadian society.

The second point I would like to agree with that my hon. colleague raised is that I too would dearly love to see 52 per cent of the members of this House being women. That is a goal I am sure all members would agree with.

Some hon. members: Hear, hear.

Some hon. members: Oh, oh.

Mrs. Collins: Don't you think? I think we might get some agreement. That indeed would be a more accurate reflection of the reality of society. It is something we are all working on in upcoming elections. That in itself—and I have talked about this in the House and with my colleagues—might help to change some of the way in which we undertake our business. We should to try to find more consensus around issues rather than the constant adversarial approach we are locked into. I think the Canadian public would find that much more acceptable as well.

It is also interesting at this time that many people still have difficulty understanding what we are talking about when we are talking about still having to look at issues relating to women's equality. They say: "Well, you have the vote and you have all these wonderful things. We do not need this any longer".

Recently *Time* magazine ran an article about how feminism is dead. It is important to remind people that although we have made significant advances there are still measures that must follow. We must all work, men and women together, to address those.

Often people say they do not want to be identified with feminism. It has had a host of labels and definitions going back to 1913. This concern about it is not new. Rebecca West, a well-known English author and critic, lamented the public's perception of feminism with this memorable quote: "I only know that people call me a feminist whenever I express sentiments that differentiate me from a door-mat". I think in that instance all my colleagues would be feminists.

One of the most interesting definitions I saw recently was one from Nova Scotia in a report done by the Nova Scotia Advisory Committee on the Status of Women in a very nice book it put out. It comes from a grade 10 student. Sometimes we have to go back to the wisdom of our children who often see things in clear terms. She wrote: "A feminist is an intelligent woman of the nineties who believes she can do or accomplish anything a man can do. She knows men and women are equal". Hear, hear. I think that young woman captured feminism in a nutshell. More than that, it indicates an awareness hopefully among young people of the issues we are dealing with as well.

• (1050)

Let me return to the subject we are debating today about fundamental equality and again on the positive side. I have had the opportunity in recent months of visiting with my counterparts in different countries. They have visited Canada and sometimes I have visited their countries in international meetings. One thing they say almost consistently is how lucky we are in Canada, that women here have advanced whether it is the economic sector, whether it is in the political sector or whether it is in the educational sector. We have had structures in place in Canada starting about 20 years ago with the Royal Commission on the Status of Women and the various mechanisms to support particularly the activities of women's organizations and groups that have helped us

advance. It is something that does not exist in many other countries.

Often we have delegations coming to Canada that sit down and meet with my officials at status of women, meet with the Canadian Advisory Council, and meet with NGOs, and then go back and try to formulate their own plans. I think we have provided a real leadership role internationally in this respect.

The other issue I also want to raise today, because to me it is of great primacy and one I know my colleagues feel the same way about, is the issue of violence against women. I see it as fundamental to women's equality that we address this issue and that as a society we take the steps that are going to be important to reduce, and I would like to say eliminate if I could be that optimistic, the kinds of violence that occur in our society: physical and emotional violence. Of course that is the mandate of the panel which is undertaking its work across the country. I know that I am very much looking forward to its final report in December of this year and an interim report in May.

Again I compliment my colleagues who sat on the parliamentary committee—the chair of that committee is here and other members—for their work on *The War Against Women*, a very important landmark report. In the response from the government last November we indicated our agreement with almost all of the recommendations and are seeking ways to work toward their implementation.

As we heard earlier today, my colleague, the Minister of Justice, tabled the regulations which go along with the Gun Control Act that was passed in this House. It is one facet of addressing of this issue.

Last December my hon. hon. colleague from New Westminster—Burnaby put forward a motion that was passed unanimously in this House designating December 6 as a day of remembrance and action on violence against women. We know that led to a tremendous amount of activity throughout this country and a heightening and an awareness of these issues, an awareness to which the panel is now adding in its work.

We have also seen the introduction of legislation on sexual assault in this House which will be coming up for debate I expect shortly. Many groups have spoken to me about it. They really think it is landmark legislation. I hope we will have the full support of members in this House when that comes to debate and goes to committee. For women it is really significant in terms of changing the concepts. Often I think it is hard for men to understand in this issue, as well as when we get into issues of sexual assault, just how important that is to women. It involves our very being and our physical sense of ourselves which we want to ensure we can protect and cannot be violated.

We have also been very active in international forums. The Prime Minister attended the Francophonie last year and there was work done with respect to women at the Commonwealth. It was not only on the issue of violence against women, but the heads of government adopted the Ottawa declaration, to which the status of women ministers had agreed in their meeting, with respect to structural adjustment and ensuring that as structural adjustment occurs in countries it does not adversely affect women. That is very important for women throughout the world, both the north and the south. Most recently discussions went on in Vienna in the last two weeks at the UN commission on women in which Canada again played a major role, not only in the recommendations, for example, to increase the number of women within the United Nations organization and in management positions, something we have been really working on, but more important in a Canadian resolution with respect to violence against women, which was accepted unanimously by all countries. That was not easy, as I am sure the House can imagine. This means we can now move forward with working out the details of that and hopefully bring that back to the full United Nations General Assembly and then on to the world conference on women scheduled for 1995.

All these actions can start to make a difference for women not only in Canada but around the world. Women do feel a strong allegiance to their sisters and we know we have a responsibility to be of assistance.

There are other areas too that I think are important to remind ourselves of when we look at the progress of women in Canada. It is within the mandate of the federal government to ensure that women are getting their fair share of appointments. We are seeing women taking on increasingly responsible positions. In the Public Service we have seen a tripling of the number of deputy

ministers who are women. Certainly the judiciary is an area that is important to women. They want to see themselves reflected in the judges. Only two weeks ago we were able to announce the appointments of not only Chief Justice Catherine Fraser as the first woman to head up a provincial Supreme Court but also the appointment of Madam Justice Rosalie Abella as the 100th woman judge in the federal sphere.

That has taken a lot of work because judges do not retire; they stay on. It is only as the vacancies come up that we are having to make these kind of changes. In all the appointments the government has responsibility for, we have doubled the percentage of women appointed. We are continuing to address that and continuing to make improvements.

Let us turn to some other areas. Education, for example, is one of the critical areas as we look at the opportunities for women's advancement. We know it is critical that women first of all complete high school, that they have opportunities to go on to post-secondary education, and that they do not drop out of areas such as maths and sciences which are so critical in terms of future employment opportunities. The ministers of science over the past few years have been working on this. The Canada Scholarships Program has been an important incentive for young people to study maths and sciences at the post-secondary level. Some 50 per cent of those scholarships go to women so we have this core of young women now going into those fields. We are seeing increasing numbers in the sciences and engineering professions. We also have been working closely with our provincial colleagues and our ministers of education to encourage them to ensure that young women are provided with the information and the support to ensure that they not only stay in school but that they pursue areas of science and technology.

The good news too as we look at statistics relating to women is that women are a growing influence in all sectors of society: economically, socially and politically. For example, between 1984 and 1991 the number of women in managerial and administrative positions climbed by 82 per cent. These kinds of positions account for almost one-third of all jobs that women have entered into over the past seven years.

There are some very bright spots in the professions. If we are looking at the issue of women being able to earn more money, being able to make choices and to look after their families and the future, we should look at things like the law and medicine where women are increasing in number, in some cases over 50 per cent.

Between 1981 and 1986 women were responsible for more than two-thirds of all employment growth in the professional categories listed by Statistics Canada. I think that is a figure that probably a lot of people are not aware of. It is a very important trend, one that we have to ensure occurs.

Indisputably—and I hope no one would argue about this—the participation of women in the paid labour force has become vital for our economy. We are 52 per cent of the population. It is expected that we will be 50 per cent of the labour force by the end of this decade. As a participant in a more closely integrated and more global economy, which we all know is the direction we are going in, Canada must draw upon all its resources, particularly the creativity and productivity of all of our citizens. They have come to realize that the efficient involvement of all of our human resources is essential to our continued social and human development.

• (1100)

I am not sure we have all the answers about how to do that but certainly through the number of strategies, prosperity strategies and human resources development strategy, we are trying to find those ways.

I come back specifically to the budget because my colleague has raised that. Although we have had debates in this House over a period of days on the budget, I would like to speak about some of the measures which I think are important advances for women, why I believe the budget is good for Canada in terms of getting our economic house in order, and why it is also good for the women of Canada.

Canadians have indicated to us that they want the deficit to be cut. They know that higher debt means higher taxes and they want an end to rising taxes. Those were clear messages received when women's groups were consulted in this process and many others who were consulted.

They also want the burden of government reduced. They want less government and better service. We have to look at ways that we can accomplish that. They also want to ensure the development of Canada's resources, our human resources specifically. They want better opportunities for people to improve their skills and they want steps taken to ensure that our social programs meet our basic needs as well.

I think most of all Canadians have indicated they want a renewed basis for confidence, confidence that jobs will be created and maintained.

It was these kinds of views that were expressed right across the country that led to many of the measures in the budget and responded to these concerns. I think the equation is simple. The budget reduced government spending and directed the savings to tax cuts that will help individual Canadian women, men and families and support economic growth. That is what in the long term obviously is going to be important for women.

At the same time the budget we enforced is a responsible and a prudent fiscal plan that will hold the deficit to $31.4 billion in the coming year and reduce it substantially as the recovery takes place.

My colleague raised the issue of the new child tax program. This would be a point where I would disagree because I think that is a very important move. I think by taking what were three programs, including the old family allowance program and the child tax credit, combining them into a package, enriching it by over $2 billion over the next few years and targeting it to the families who need it most, we can help to make a substantial difference, not only in alleviating poverty but in helping the many cases of women-led families to start becoming more economically independent and have those resources that are required.

I think that the proposed new child benefit is responsible as well for changing family circumstances because programs that were developed at one time are not necessarily appropriate today. As you know, Mr. Speaker, the new benefit can be as much as $144 per month per child, tax free, for a total of $1,733 per year. That is a lot of money to put into the pockets of women that they will have the discretion to spend for their children whether it is on food, clothing, or day care facilities.

Of course for low-income families with children this new child tax benefit also includes a new federal earned income supplement of up to $500 a year which provides additional support to the low-income working parents, the very people who indeed my hon. colleague has talked about, and I agree with her. This is the target group, particularly the women in that group, that we need to focus on and provide support for and help, assist them to get off social assistance and back into the work force. That indeed is why this program is targeting what is called, and I do not like the expression, the working poor. I think it is people who are trying to better themselves and help to provide those extra dollars. That is combined, of course, with the many programs that I know I have had the opportunity of being involved in through my colleague, the Minister of Employment and Immigration, of funding, not only for language programs for immigrant women, but training and retraining programs for women, to help to give them those skills to get into the work place and then, through these kinds of programs, help provide the support to them.

As well, this program is simpler. I think it is fairer because it is based on total family income and not on individual incomes. It also rewards the work effort of low-income working families, as I indicated, many of which are headed by women. It will also assist them in balancing work and family. As my colleague mentioned, that too is an important issue that we need to address; how to ensure that women and men are able to find that more appropriate balance between work and family.

Mr. Speaker, you have indicated that my time is through. I have many more issues that I would like to address with respect to the budget. I know other colleagues will have an opportunity to speak later in the day, but I would like to say again that this budget is an important step forward in terms of dealing not only with the future and a healthier economy of Canada, but also in ensuring and working toward equality for all women in Canada as well.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I want to thank the minister for her comments today. There are, as she said, a number of issues that we all agree on, at least the women in this House. But there are a number of issues that we feel very differently about and we have strong differences on too.

I would like to ask the minister to react to a quotation from the leader of her party, the Prime Minister, who said on July 28, 1988: "We will implement and build on our national child care program, the most innovative social advance in Canada since the Canada Pension Plan a quarter of a century ago". That is what the Prime Minister said in 1988.

I would like to ask the minister to respond to that quotation by her Prime Minister in view of what her colleague, the Minister of National Health and Welfare, said when he indicated he had the privilege to kill the child care program that they had talked about since 1984.

I would also ask the minister for her feelings on the Court Challenges Program that has been dropped in this budget, and how she can relate that action of her government in terms of the things she was talking about in her speech today on advancing women's equality in this country; and also the action of her government in reneging on its commitment to pay equity for women in the Public Service of Canada in setting an arbitrary date of 1990 as being the time when women in the Public Service were deserving of pay equity, and that those years in which they were underpaid and undervalued have no kind of validity or honour to those years when women were also underpaid.

Mrs. Collins: Mr. Speaker, I would be glad to respond to that as I did not get to some of those issues in my speech.

I will start with pay equity because I think it is important. As my colleagues know, that legislation was originally passed by a previous government. It was only when this government came into office that we started to work toward the actual implementation of pay equity within the Public Service. There were discussions and there were studies that went on over a period of years. There were legitimate differences of points of view between Treasury Board, the employer, and the unions on this.

Finally, rather than just going on forever, the Treasury Board announced that it would make a settlement of $317 million. That is of course primarily to women in a number of occupations. It felt that was a fair assessment and settlement. There would be ongoing payments of some $81 million a year. That has meant, in fact, that there were lump sum payments made in the category, for example, of secretaries and clerks of between $3,500 and $5,900 a piece of sort of lump sum payments. It is now actually providing on average about $1,289 additional a year for secretaries and about $994 for clerks.

Following that settlement, the union, and it has every right to do so, said that it did not agree, and there was a dispute.

• (1110)

The method in the legislation for resolving that dispute is under the Canadian Human Rights Commission and the tribunal that has been set up to deal with that. That process is ongoing. It is not expected that they will reach a decision until probably some time next year at which time, obviously, we will see whether they agree with one party or the other or come out with something in the middle. One does not know.

In the meantime, though, I think from the government's point of view, to have had unlimited retroactivity, the costs would have been horrendous. One of the options would have said there would have been no retroactivity. That in fact is the case in many of the provincial acts that deal with pay equity. They are only forward-looking. They have no retroactivity clause in them. I think because governments have recognized that there is such uncertainty there that the potential costs that they cannot calculate makes it very difficult.

What we agreed to was a bit of a saw-off and said as of the date the case was filed with the Canadian Human Rights Commission, November 1990, that would be the date the government would then agree to pay retroactive settlements based on the decision of the Human Rights Commission.

I would just like to draw to colleagues' attention that not all provinces yet have pay equity legislation. The federal government was indeed the leader. For example, Ontario has no retroactivity and in fact adjustments are paid on a percentage-forward. They are not necessarily all paid at once. Nova Scotia has no retroactivity. Adjustments are divided equally over four successive years. Manitoba, in a similar vein, New Brunswick, P.E.I., Yukon and Newfoundland, all phase in. If a decision is made, they phase in.

We are doing a lot better than that. We have said that based on what the judgment would be, we will indeed provide retroactivity. Not everyone is going to be happy with it, I understand, but I think that is fair because with almost anything you do in life, there is no unlimited retroactivity.

For me, the important thing is to move ahead, to ensure that there is a fair and balanced approach in dealing with pay equity and that we can move ahead at this time.

My hon. colleague asked me as well about child care. I am sure she is aware that the federal government now does contribute about $1 billion toward child care throughout this country. That is through a variety of initiatives, both through the provinces and through those women who are into training under the various training programs that we have. Of course, we also have the tax reductions which help another group of women, a very important group of women. We have, through things like Treasury Board, programs for establishing employer child care.

We have been working closely with my colleague, the Minister of Labour, on the whole issue of work and family and focusing on how we need to encourage employers to be more sensitive to this issue. One way is through the provision of employer-supported child care which, for many women, they see as as the appropriate response. Certainly we are working in that area as well.

I hope we will be able to do more because I believe that child care is an important component for many women in this country. I think it is not, as my hon. colleague would agree, only a federal responsibility. It is primarily within the provincial area with our focus being, as we have seen in this budget, on trying to help make it more affordable. That has been the focus, affordability, putting more money into the hands of women through the new family benefits package. By putting more money into the hands of women through the Income Tax Act and the child care tax deductions, we are indeed making significant progress toward that end.

Ms. Mary Clancy (Halifax): Mr. Speaker, through you to the hon. minister, I was reminded in her comments of two things. One, she talked about pay equity and the provinces. I agree. She is certainly correct in the question that retroactivity is not exactly thick on the ground, particularly in the have not provinces, many of which she mentioned, for obvious reasons.

I was also reminded, to a degree, of what my mother used to say to me when I would say: "The kid up the street is allowed to do this and the kid next door is allowed to do this". My mother would say to me: "That is fine in those houses, but in this house, the child is not allowed to do this". I would ask the minister, understanding the difficulties inherent in this question of pay equity, does she not agree that what we have here is a long-term series of inequalities that the government has an opportunity to right? The women in the Public Service in particular are not subject to the employment equity law yet, and the pay equity provisions have been, in a sense, twisted out of their grasp. They originally thought they were going to get one package and later found out they were going to get another. Would the minister not agree there is an inherent fairness there that we should all be trying to achieve as soon as possible?

Mrs. Collins: Mr. Speaker, I am not sure I would agree with my colleague that there is unfairness. The fact that we have pay equity legislation and are proceeding with its implementation seems eminently fair to me.

There will be different points of view on the technical criteria of how we relate one job to another. Obviously there are going to be different perspectives between employers and employees' representatives. That is why we have a mechanism for resolving those differences, which in this case happens to be the Human Rights Commission. In other jurisdictions they have other mechanisms for resolving differences. I think that indeed is fair.

The provinces of Alberta, Saskatchewan and British Columbia do not have pay equity legislation yet but will soon introduce it. Governments introducing pay equity legislation now should recognize that it probably should be done from this day forward. We cannot go back and redress all the inequities of the past, whether it is in this issue or many other issues. It is important now to find mechanisms to ensure that women are paid equitably and, as my colleague has said, also have the kinds of

opportunities that we want to see come about through things like employment equity.

Quite honestly, this is an area where we have a good record at the federal government level, in so far as women are concerned. We have in fact seen a 50 per cent increase in the promotion of women in management over the past few years in those areas. I can see some really good progress taking place there.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I am pleased to have an opportunity to participate in this debate on the budget and the implications of it on the women of Canada.

Unfortunately this budget continues in the same direction as previous budgets brought forward by this government. It puts the burden of deficit reduction on the shoulders of those who are least responsible for that deficit, and least able to pay for it. Unfortunately it is a continuing trend.

The budget is harmful to women, and particularly to poor women with children. It ends universal family allowance and replaces it with a two-tiered system based on income. Instead of giving the most money to the poor, the government in many respects is going back to the future with this outdated and Victorian notion of separating people and children into the deserving poor and the undeserving poor.

It is an insult to separate children into the two camps of those whose parents do have jobs, and those whose parents do not have jobs. It is an insult to reward the children whose parents have jobs with this small supplement of $500. It is an insult to call this bizarre gesture an incentive to work.

Why does this government not understand that hunger and deprivation are in themselves incentives to work? Through its own mismanagement, this government has caused and exacerbated a recession which has put 1.5 million Canadians out of work in this country.

The government has again in this budget cut training programs for people on welfare. The government has turned its back on the one million children in this country who are in need of child care.

Without child care, poor parents cannot enter the job market. They cannot keep a job. The poor people whom I know and have met want jobs, training, education and adequate care for their children. Instead they are being pushed into a spiral of desperation. Sixty per cent of these poor are women.

• (1120)

When the government says poor parents do not work because they are lazy or unmotivated, it is really saying that women with children are lazy. It has no idea how much hard work is involved in taking care of children and raising them.

I was a young mother who struggled with a chronically ill two- year old child and newborn twins at the same time. I know how difficult it is to be at home with limited resources and try to provide for your children the best way you can. This government has made it much more difficult for those women who are in the home trying to cope with raising children by cutting back on the resources available to those women.

How dare this government infer that kind of a daily struggle is laziness? Unfortunately, a lot of members of this House of Commons have no understanding of the reality of women's lives. They have no understanding of the reality of some women who line up at food banks with children crying and hanging on to their jackets. That in itself is an incentive to work, as is watching your children grow up without the ordinary things that other children have, and become statistics as high school drop-outs.

The minister, in her remarks, talked about how much better some women are doing in our educational institutions. It is true. More women are entering post-secondary institutions now, but all of us in this House must remember that 30 per cent of the children who enter school in Canada do not finish school. Thirty per cent of our young people do not graduate from high school, and that is an incentive to work. Feeling like the world is going to cave in on you unless you can change things for yourself and your family is an incentive to work.

Just for once I would like to be able to take away money, education, training, and connections from the ministers on the other side of the House. I would like to see them live on the level of income of many people and many single women with children in our country, and see if they would then come up with these kinds of policies. I think then they would have a lesson in reality and would perhaps be more sensitive to the needs of women, children and the poor in our society.

The minister also talked about the new child benefit. Well it denies benefits to the poorest of the poor. Only people earning $10,000 to $20,000 will get the extra $500. Those whose incomes are in the range of $3,750 will not see a single extra cent. How can anyone be expected to

raise children on an income of $4,000 a year? The benefit itself is not indexed. Every year that benefit will be worth less and less, until one day it will probably disappear altogether.

Universality is being axed. That means money given to help maintain children is again a charitable policy of this government and not a right.

The government is also spending $500,000 in newspapers across this country to advertise this new child benefit. The minister said it is new, improved, simpler and fairer. I am not sure about that. I do not think all the families denied these benefits will see it as being newer, simpler, fairer or more generous.

The government also promised a homemaker's pension in 1984. We have not seen any evidence of that. The child benefit, which is a bit of charity thrown to some families, is a large step away from recognizing the value of child rearing to our society. The universal family allowance was in some families the only money that a woman received in her own name. We know, and statistics tell us, that one in ten women is abused by the man she lives with. More often than not, this abuse is more than physical and sexual abuse; it is usually also economic and social control. The woman does not share in the family finances.

In addition to choking off funds from the Canada Assistance Plan, which funds shelters for battered women, the cancellation of family allowance means fewer economic resources for women to get away from and out of abusive relationships. The issue of children was used by our Prime Minister during the United Nations summit on the rights of the child in 1990. Article 18(2) of the UN Convention on the Rights of the Child requires Canada to "render the appropriate assistance to parents and legal guardians in the performance of their child rearing responsibilities and shall ensure the development of institutions, facilities, and services for the care of children".

Section 18(3) requires the Canadian government to "ensure that children of working parents have the right to benefit from child care services and facilities for which they are eligible".

The new child benefit does not create one single child care space. It does not ensure quality care for Canadian children. It provides no greater access to care at all.

Before the budget we knew that one million Canadian children were in need of child care. After the budget nothing has changed, and we do not have even one new child care space.

This budget also contains another blow to economic equality for women. Between 1985 and 1990 women in the Public Service earned significantly less than men. The government promised that unfair situation would be rectified. Instead, the government has abandoned its promise to honour its pay equity commitment dating back to 1985. I remember, in the leaders' debate on women's issues, the Prime Minister standing up and responding that the money was there. It was in the bank and had been put aside for that pay equity legislation. Where has it gone? Did that bank account just disappear?

Seventy thousand women lost $1 billion which they had already earned but never received.

The government has also promised to ignore a human rights tribunal ruling on this issue if it does not like that ruling. I suppose this is the only promise the government will keep.

This budget also attacks legal and social equality for women. The cancellation of the Court Challenges Program is a disaster for women. It is a disaster for aboriginal people, visible minorities, and the disabled.

Disabled women are far more likely than any other women to be sexually assaulted. Disabled women tend on average to be even poorer than disabled men who are also extremely economically disadvantaged. Disabled women have fewer economic resources to leave an abusive situation. Their physical options are also limited.

Many shelters for battered women do not have money for major renovations to make them accessible to the disabled. Disabled women have fewer housing options when they try to leave an abusive situation. Disabled women are bombarded with societal messages about inadequacy. They are disbelieved, treated as less than adults, patronized, and often have poor self-esteem as a result of social and economic discrimination.

This low self-esteem can also keep them trapped in abusive relationships. Disabled women are sometimes advised to stay in a physically or sexually violent relationship because "at least they have a man".

The government has chosen to cut back on funding for this group this time around. This is one of the disadvantaged groups cut back and hurt desperately by the cancellation of the Court Challenges Program.

Aboriginal women have witnessed the disintegration of their own communities. They and their parents are survivors of residential schools where many were physically and sexually abused. They were beaten if they spoke their own language or practised their own religious beliefs and customs. They went back to communities without sufficient skills to survive in a white world. They were met with racism, name-calling, battering and rape.

They went back to communities without sufficient skills to practise their traditional way of life. Residential schools broke up families and supplanted healthy relationships with sick ones.

Many aboriginal children grew up in these schools without affection and knowing only sexual abuse as a model for relationships.

In the general population, women who are raped are six times more likely than other women to commit suicide. Alcohol and drug use is also a symptom of childhood sexual abuse.

• (1130)

Aboriginal communities across Canada are beginning to deal with that legacy of pain. They are trying to reverse that cultural genocide. They are angry at the social and economic state of their communities and are organizing to change it. They are trying to build a life to heal the many wounds.

Aboriginal women are trying to keep their children off the streets. Again, this is one of the groups in our society this government has chosen to punish, a group that is just now gaining enough strength to continue fighting for their rights and to define a distinct place for themselves.

Aboriginal women and men and the generations to come are affected by the complete shutdown of the Court Challenges Program. Only those who can afford them can have rights is what this government is saying. This action of cancelling the Court Challenges Program, in effect, makes the Charter of Rights and Freedoms in this country meaningless. Unless the people who most need access to those rights have the means to access them, it is useless to have a charter.

This is a time when the government has implemented a racist and sexist regulation to keep foreign domestic workers, particularly women of colour, from ever becoming Canadian citizens. What the government is saying is that no matter how many years one of these women can prove she has worked in Canada and been a good Canadian citizen, this is no longer good enough.

She must now meet the Canadian immigration point system which disadvantages women. Close to 60 per cent of the women entering Canada through the Foreign Domestic Movement Program in 1990 were from the Philippines. Now domestic workers from the Philippines and elsewhere will have to have the equivalent of a grade 12 education to come to Canada. The problem is that in the Philippines the high school system does not go that far and very few women have access to what would be the equivalent of a grade 12 education in Canada.

This government is telling women of colour that they are good enough to clean up after others but not good enough to be Canadian citizens no matter how hard-working, no matter how productive or responsible they are.

Many times when we talk about access to equality, we look for ways that disadvantaged groups in our society can seek that equality. With the cancellation of the Court Challenges Program, there is no recourse to seek equality except for those who can afford it. Guess what? Big surprise to this government: Groups who can already afford it already have those rights.

I feel I am standing here today repeating the same things I said one week ago, one month ago and one year ago. I am sure that there are many Canadians who are just as tired as I am of these same policies. These policies are not just words on a piece of paper, they affect the lives of every woman, every child, every man in Canada.

There are one million children in Canada in need of child care. If I were to attach names to all of these children, I would still be standing here tomorrow. If I were to tell you about their lives, we would be here until next week. Some are children whose mothers are on welfare, unable to look for work because they do not have adequate care for their children. We know that welfare is not enough for a family to live on.

Forty per cent of the users of food banks are children. Seven hundred thousand children in this country rely on food banks for their daily food. The Prime Minister stands in this House and argues about how many children are poor, how many people have been raised above the poverty line and how many children are in fact living in poverty. The fact of the matter is that we have 700,000 children who rely on food banks for their food. He does not see their faces. He does not see thin children trying to laugh while their tummies are empty. He does not see the grades at school or hear their teachers scold them for not paying attention.

Those of us who think that hungry children are not our problem are being selfish. We are also being very, very wrong. For this is the future of our country. These children wear a gaunt and a grim face. It is the face of a child who is unable to finish school. Thirty per cent of the children who enter school in this country do not go through to graduation.

Montreal's rates of low birth weight rival parts of the developing world. In Manitoba, we know that children have died of disease related to malnourishment. Children are poor because their parents are poor. Sixty per cent of the poor in Canada are women and this budget entrenches again the feminization of poverty.

I urge this government to do something positive for women. Reinstate the Court Challenges Program. Reinstate the money for training programs so that people can learn how to do the jobs that are out there, instead of being stuck in a rut with no skills or skills that are no longer needed. Implement a child care program that meets the needs of Canadian children.

This government is always talking about competitiveness. If that is the only term that the government understands, why does it not look at how we are falling behind European countries in terms of child care, parental leave, education and training?

Let us get competitive with the Europeans on those issues. They are becoming more and more competitive because they do understand that workers have children, that workers need skills to do their jobs and that people are not born just to serve business interests but that business must also take the needs of people into account.

This budget, like this government, fails women. During times of restraint it is especially important to maintain and enhance equality rights. To do any less is to foster hatred and resentment.

Canadians need each other now more than ever. We have to work together to overcome these hard times. We have to learn about each other, respect one another and help each other. We need to care about each other and not just about our own pocketbooks or our own children.

All children in Canada no matter where they live, no matter what their colour, no matter what their physical abilities, are all our children. They are our present and our future, they are our responsibility and we cannot afford to fail them. We cannot afford to fail their parents. To do so is to put our future and the future of this country at peril. We will be judged by the choices we make.

I urge this government to start making the right choices, choices that offer women, children and the men of this country hope. This is a budget that says to the women of Canada: "No pay equity. No Court Challenges Program. No child care". In fact, it says to the women of Canada: "Know your place".

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I was struck by the comments of the hon. member for New Westminster—Burnaby with regard to poverty and food banks because that is, of course, a particular interest of mine. Having spent two years struggling with this problem on the subcommittee on poverty, one of the issues we need to resolve as a country is the issue of the responsibilities of the provinces versus the federal government.

We recommended that there be national standards for welfare in this country and we also recommended an expanded program of subsidized day care which I believe the member fully supports.

I know that the minister is in a very difficult position because imposing standards on certain provinces is, first of all, something they are absolutely opposed to. Second, it could be extremely contentious given the current constitutional agreement.

Right now the provinces have full authority to implement food programs under the Canada Assistance Plan for poor children, either on an area basis where they

know there is a concentration of poor children or on an individual needs tested basis. Those programs are permissible under the Canada Assistance Plan.

Similarly, they can implement day care programs. There are three provinces that in fact are affected by the Canada Assistance Plan limit of 5 per cent; Ontario, B.C. and Alberta. However, neither B.C. nor Alberta was previously spending anywhere near the 5 per cent. Ontario was the only province which was substantially increasing its expenditures under the Canada Assistance Plan at rather dramatic levels, up to 14 per cent in certain years. There was certainly a commitment by the Ontario government to both expand subsidized day care and to expand welfare.

What then is the answer? We have an NDP government in British Columbia with a commitment just as strong as that of the hon. member for New Westminster—Burnaby.

• (1140)

Will the hon. member tell me what she thinks is the appropriate role of the British Columbia government? Of the other provinces, does she think they should initiate these programs? I know she disagrees with the 5 per cent cap. It seems to me she is saying that the federal government should take over and fund all these programs. However, given the current constitutional crisis and the attitudes of the provinces, which I understand are absolutely opposed to a national day care program, does she think that the federal government should be doing this against the wishes of the provinces? What role does she see for the provinces in this country?

Ms. Black: Mr. Speaker, it is a long and convoluted question, but as a member of Parliament in this place, I see a responsibility to all of the children of this country, not children in certain sections, not children in certain provinces, but all of the children of the country.

The member spoke of the Canada Assistance Plan and said that provincial governments could access funds through that to feed children. I want to remind the member that the Vancouver School Board, which has instituted at the municipal level, at the school board level, a lunch program for hungry school children in that city tried to access the Canada Assistance Plan funding and were denied any funding by this government.

There was a long and hard struggle to try to access those funds for school lunch programs in British Columbia which was led by my colleague, the member for Vancouver East, who had many questions and many meetings with ministers on that side of the House to try to feed these hungry children. They were denied that by this government.

When she talked about the Canada Assistance Plan as only affecting a small part of the budget in the provinces of British Columbia, Alberta and Ontario, I would like to remind the member that the Canada Assistance Plan funds shelters for battered women, funds welfare systems and programs. It funds the very programs of the people she claims to care about.

It funds all of the child care shared-cost programs. I would say that most provinces with the financial ability to pay would be more than happy to access funds under that program, to build more child care spaces. I do not think there is any doubt about that.

I have not heard of any province saying that it is opposed to a national child care program where there are funds coming from this government to share in that expense.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I feel privileged having the opportunity to speak on this motion that was put forward by my colleague from Halifax.

I have been reviewing and reading a lot of the work that we have done in this House and in committees across this country. I would like to cite the report that my colleague from Don Valley North put out in June, the "War Against Women", which is a very good report. We all have read different works that have been done by the researchers in the Library of Parliament.

About three weeks ago, I was given a short note by a lady in my riding. Her name is Christina Benson. It is on this issue of violence against women. I read it, and I believe she puts this issue forward in a way that I certainly could not improve upon.

I would like to read Christina's notes because I think they reflect the feeling and the knowledge of someone who is very close to this issue. She titles this:

Notes on a Women's Country

There is a place in Canada where women and their children live.

It is a hidden landscape we never show on our maps. It is no place but it is every place. Even more that we pretend there is no such place, we pretend that we do not live there. I call it women's country.

Sometimes there are oblique references to this place. We mention "domestic violence" and "child sexual abuse". We build a shelter here and there. We have a trial of some man for murdering a woman or abusing a child. We hold a candle-light vigil. Most of the time we mark this as incidental and accidental.

Occasionally it is impossible to pretend there is not a women's country. The Montreal Massacre happens. We concentrate on the excuses. That is when we best see how much we guard the lie about the women's country.

Occasionally, someone tries to talk about the women's country. In 1988 June Callwood wrote about the women of Mothers on Trial. "For pity's sake" she started her series in *The Globe and Mail*. Someone put the heat on. The last column was different. Instead of revealing the lies, the excuses appeared. For the indomitable June Callwood to back down the heat must have been very high. The heat still remains very high. There are few stories about women's country even though women go on disappearing all the time.

All of us know women who have "disappeared". Any woman can disappear, become lost; mothers, sisters, daughters, grand-daughters, friends. Women who once lived with us; visited us; women who were our family, friends and neighbours. Women we saw at work, meetings, church, on the street. Women we do not see anymore. Women we sometimes hear a vague rumour about but more often nothing at all. Lost women, gone women, missing women.

The women's country is a frightening place. It is bleak, dark, pierced by warfare, pain, humiliation, hurt, injury, terror and death. Women's country is a cold lovelessness, close to formlessness, a world without kinship or naming, bound in cruel words and deeds.

In the women's country, terrible things happen. Men throw women against walls hard enough to snap bones and leave holes in plaster. In the women's country, men throw steel kettles, hot irons, cast iron frying pans at the heads of women. In the women's country, emergency room doctors spend hours stitching up faces, wiring smashed jaws and noses; longer hours removing splinters of teeth shattered in soft mouths.

In the women's country, men come into bathrooms and take small, soapy, wet, pink children's bodies and stick fingers, engorged penises, broken beer bottles into every orifice possible. In emergency rooms, doctors spend hours taking shards of glass out of baby girls' vaginas. The same doctors spend hours repairing the ripped larynges of infant boys.

In the women's country, ugly voices fill the landscape with rageful threats, threats so obscene they cannot be printed. There are no censorship rules for minds. Here the threats imprint forever, make everlasting bruises, leave everlasting scars.

In the women's country, the emergency rooms of hospitals record tortures all the time. Nurses and doctors salve the burns of curling irons and acid etched wounds; repair the holes of drill bits worked into fingers, toes, skulls, eyeballs; resuscitate collapsed lungs in chests caved in by steel-toed boots; deliver babies with holes in their hearts from bullets aimed at pregnant abdomens; fuse spines crushed by blows from crowbars.

In the women's country, nurses and doctors in emergency rooms bag bodies of women riddled with bullet holes; bag bodies of women whose missing limbs, eyes, noses will never be found in the sewers they were flushed into; bag masses of pulp that were women.

Their final identification is a feat of twentieth century forensic science.

In the women's country, children are tied up with electrical cords to watch the dismembering of their mother. In the women's country children see their mothers shot on the school steps. In the women's country, children see their mothers pushed out of cars, off balconies to death. In the women's country, children worry about their mothers all the time. In the women's country there are many orphans.

In the women's country, women and children run and hide a lot. They hide in the night from raging, rampaging men who charge with words, fists, knives and guns. They flee in snowstorms, in rain, in cold, in sheds, in barns, under porches, running away in pyjamas, shoeless. They run away to hide in house after house, town after town. They hide with friends, in hotels, in motels, in shelters and refuges. If they are very lucky, they get passed along a thin network of brave women who hide them from a predatory man.

Life narrows to a small single focus of running, exhausted flight, a landscape of shattered windows, broken doors, a rain of bullets— Sometimes there is safety for a while, a respite that lets hands and bodies stop trembling, lets a child finally dare to close its eyes for sleep. There is never safety for long. Someone finds a disembowelled cat, rabbit, dog, something on the doorstep. There is a threatening note. Bewildered friends ask "Please leave. This is too much". Another phone call, a new destination, another flight. Another prayer for hope and safety. Then the bullets come through the door again. A bleeding woman tries to hide a child, fails, falls as the door breaks down and the last round empties loud death into her. The child stares. The man picks up the telephone, calls the mother, friend, shelter, whomever it will hurt the most, gloats and leaves.

There is another vigil. Another woman, mother, friend, shelter worker becomes a candidate of the therapy for survivors of violent deaths. There is another orphan. A shelter renames itself for the last woman to whom this happened. The story falls as a silent pebble into a still pool. There is no ripple. Now you remember that silly question. If a tree falls in the forest and there is no one to hear, does it make a sound?

In the women's country, women die without inquests or memorials. They die in cold lakes; in cold bathrooms letting slashed blood flow down dirty drains; in cold rooms they swallow pills that take the pain away along with their lives; in cold rooms they hang themselves.

If you wanted to, you could find the women's country. There are lots of places to go looking. Find a hostel. Bag ladies can draw routes to the women's country. Every homeless woman once lived in a house on a street next to you too.

Go to the psychiatric wards. Mad women know the routes to the women's country too. Every mad woman once lived in a house on a street next to you.

• (1150)

I realize that my time has expired, but I want to conclude by saying that I believe one of the most difficult issues we have in communicating the problems women are having in this country today, especially violence against women, is that too often we just do not want to talk about it openly. If we did start talking about it openly a little more often, I believe we might institute the kinds of policies that would prevent a lot of this from happening.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to stand in support of the motion of my colleague from Halifax:

That this House condemn the government for its failure to protect and promote the fundamental rights of Canadian women, especially as reflected in the 1992 budget.

In this year's annual report of the Human Rights Commission, three aspects of discrimination against women are highlighted: the sex biases in the justice system, the systemic economic disadvantages, and various forms of violence.

The 1992–93 budget has done nothing to promote security of person for women. However, it does include measures that will actually facilitate sex biases in the justice system. Worse still, this budget promotes and even authorizes systemic economic discrimination against women.

In the introduction of his budget speech the finance minister claims that one of his aims is to support the well-being of Canadians and their families. Instead he has made women and children the primary targets of his cuts and fiscal mismanagement.

The child benefit is one aspect of this budget that has been widely promoted by this government. Perhaps mother's disadvantage would be a better term. The average family gains very little from this proposal. Since it is not fully indexed to inflation, in three years the value of the benefit will decrease by 10 per cent, and within 10 years this benefit will deprive most families of all meaningful assistance.

Single mothers on social assistance fare even more badly. They receive no additional benefit whatsoever. Already over 60 per cent of single mothers live in poverty in this country. Last year 700,000 Canadian children stood in line at food banks. Without increased benefits to their mothers these children will stay in that food bank line.

At the same time child care has been completely neglected. This is from a government that has been promising better child care and actively campaigning on that promise for over eight years. Without child care single mothers cannot find employment that will help them escape the social welfare trap.

By denying single mothers these two fundamental forms of assistance, this government has chosen to perpetuate the cycle of child poverty.

But food on the table is only one necessity that this government is attacking. By severely curtailing the CMHC's social housing budget, and by shutting down the Co-Operative Housing Program altogether, the government will deprive many single mothers and their children of a roof over their heads. Over one million Canadians could be left homeless by this mercenary measure.

Working women will also suffer under this budget, especially if they are employees of the federal government. Equal pay for work of equal value is still a dream for most women. Over the past 20 years the male–female wage gap has closed by only 8 cents. Women's wages, on average, are still 32 cents lower than men's for comparable work.

Our toothless pay equity legislation puts the onus on the employee to prove that discrimination exists. The Pay Research Bureau, which collects and provides information to help set pay, benefits and conditions of employment for the Public Service, was one of the few resources for women trying to establish evidence of discrimination. The government has used the budget to eliminate that essential resource.

Retroactive pay equity settlements prior to 1990 have also been eliminated, even though women have been entitled to equal pay since 1977. This move will deny 80,000 public servants earnings which are rightfully theirs. I call that almost stealing.

The elimination of the Court Challenges Program is perhaps the most fundamental example of this government's failure to protect the rights of Canadian women.

This program provided funding to allow disadvantaged groups to go to court to defend their rights according to the Charter of Rights and Freedoms. Many landmark decisions could not have been made without the Court Challenges Program.

More recently the program allowed the Women's Legal Education Action Fund to argue successfully that the obscenity provisions in the Criminal Code are indeed constitutional in that they reasonably attempt to prevent harms that affect the dignity and equality of women.

The elimination of the Court Challenges Program will silence the voices of many Canadian women before the law.

Along with minorities, seniors and children, this budget is directly attacking the fundamental rights of women all across Canada. An attack on women is an attack on families. It is an attack on children. It is time that this government stopped paying lip service to the women who make up over 52 per cent of the population of Canada and give every Canadian her full entitlement of rights and freedoms. I would like to read into *Hansard* a few comments from the *Toronto Star* made by Carol Goar. She says:

> Why, after seven and one-half years of Conservative government, has the number of food banks in this country risen from 75 to 292? Is it right that 700,000 Canadian children, one out of every nine, should have to depend on charity to eat?

• (1200)

She goes on to ask:

> Why, during the devastating recession of the past two years, has the federal government reduced its support for low-rent housing by 46 per cent? Does the Prime Minister realize that thousands of families in urban centres go hungry each month so that they can pay the rent? What has changed since the summer of 1988 to convince the Prime Minister that child care is no longer a fundamental right? Does he realize that most single mothers cannot enter the work force to build a better life without affordable child care? Does the Prime Minister remember saying in Toronto 10 years ago "There is nothing I see that is more painful to me as a citizen of one of the most blessed nations on earth than the continual fighting and bitching—

The Prime Minister's words.

> —that is going on among and between just about every major group in our society.". Can the Prime Minister explain what he has done to improve the mood of the nation?

> Mr. Speaker, it is a great privilege for me to speak here in the House on women this morning. I believe nothing has changed. I have been here almost three and one-half years and I seem to be saying the same things over and over again. I hope this government will start to listen to those of us who are most concerned about the rights of women in this country.

> Thank you.

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, a number of questions have been raised in the House relating to why the federal government has abandoned its promise to initiate a national day care act.

I would like to take this opportunity to set the record straight. Hon. members have couched their questions in a manner that is very misleading. Their questions would lead one to believe we have turned our backs on day care and no longer believe that day care is an important service needed by many Canadians.

This is just not so. The House will recall that the federal government put forward a day care bill, Bill C-144, that would have spent $4 billion over a seven year period. You will also remember that both of the opposition parties did everything in their power to defeat this bill. Their stalling tactics were almost unprecedented.

Nevertheless the federal government persevered and finally, when the opposition members had exhausted all of the avenues open to them, the bill was passed and sent to the Senate. The opposition members were still not content with their previous efforts to frustrate the will of the majority of Canadians, and urged the Liberal-dominated Senate to further block and delay the bill.

The Senate decided to hear from further witnesses. They knew full well that almost every individual and association from every part of Canada had already been extended the opportunity to appear before the parliamentary committee. This was also after a lengthy task force on child care heard from interested parties from every region of this country. There was no question that the Senate was going to prolong this exercise for as long as it could. Given the Liberal-dominated Senate skills

that had been sharply honed over the years to frustrate the work of Parliament, this could be a very long time.

Now events took over and an election was called. It seems strange that these two opposition parties, which have done everything in their power to prevent a National Day Care Act, are now attacking us for not introducing the bill once again. The public will not be fooled by these antics. Now let us look realistically at just what the federal government promised. It is true that during the election we indicated the bill would be reintroduced. However during the course of the election and immediately following it, many citizens concerned about day care urged us not to reintroduce this bill.

I am not talking only about those who did not believe the federal government ought to be lending its support to influence parental decisions as to whether or not parents should enter the work force. I am referring to groups which have a strong and continuing commitment to day care services. They argued that a different approach ought to be taken.

In addition to these concerns expressed by many in the day care community, the federal government found that the economic climate facing us was also very different from that of 1988. We had been hit with an economic slow-down. Falling revenues and rising expenditures were leading to a dangerous situation that, if not controlled, would have threatened the well-being of Canada.

Any citizen who found himself in such a situation would of course have taken prudent action. This was exactly what the federal government did. It recognized that our deficit was too large and was growing at an alarming rate. Therefore it took an aggressive approach to deficit reduction.

It knew full well this approach would involve some pain, but if also knew the long-term benefits demanded these actions. Consequently the federal government announced that a number of plans, including those for child care, would be put on temporary hold.

During this same period we listened carefully to the various new points that were being put forward relating to day care. You will recall the government stated on numerous occasions that it would consult with and listen to the views of Canadians.

The minister of the day responsible for day care frequently assured the House and all Canadians who made inquiries that a strategy would be in place during this government's current mandate.

The minister of the day, as well as other members of the government, made it clear they were not committed specifically to reintroducing another bill, Bill C-144. Our position was that Bill C-144 might be reintroduced, but another approach could possibly be taken, depending on further consultation and serious reflection on the information being received.

Our government would determine the exact nature of the strategy to be announced and implemented. It is also very clear that contrary to what the members in opposition would have us believe, promises were not specifically made about day care. The federal government listened to Canadians from every walk of life and knew that the problems being addressed were broader than day care.

That is precisely why the federal government steadfastly used the term child care rather than day care.

I want to speak to this further in a moment. However I want to speak about the situation that currently faces Canadians. Certainly the situation in 1992 is very different from that of 1984, when the government first announced its intention to launch a national child care program. Every major western country is feeling the impact of the recession. Every government, regardless of its political ideology or leanings, has had to come to grips with this new reality.

• (1210)

All members of this House recognize that Canada is not an isolationist country. Our own social and economic environment is directly influenced by what happens to our major trading partners. Any government that does not recognize there is a new spirit of competition abroad, affecting every country, will soon be left in the abyss of a stagnant and deteriorating economy.

The federal government does not bemoan these changing circumstances. It firmly believes that Canadian physical resources and personal expertise are second to none, however like any wise country, we need to streamline and modernize our competitive edge. The rewards will go to those who are not fearful of competing in climates of increasing excellence and are willing to make the adjustments necessary to forge ahead.

Certainly this means getting our own house in order. It means we cannot have our strengths toppled my an excessive deficit. This belt-tightening exercise is being undertaken by every level of government in Canada. Dutiful and painful decisions are being taken, as I said, by every level of government. It is not a partisan issue.

Municipalities make headlines daily as they struggle with the types and levels of services they can afford. They too have to make decisions about the balance between increased taxation, expenditure cuts or going even deeper into debt.

Most municipalities recognize there is very little room for going back to the hard-pressed homeowner for further increases in taxes. Pressing too far brings an inevitable backlash and turns citizen against citizen. If we go to the well too often we will find the well dry. This is obviously a non-starter.

Going deeper into debt has its limits as well. The debt load soon strangles all initiative and allows even less room to manoeuvre. It is nothing short of folly to reach the point where the interest charges become the number one budget item.

The provinces are in the same boat. It does not matter what provincial party is in power; Progressive Conservative, Liberal or NDP. Once it is in power it soon finds that it faces the same economic climate as everyone else. There are no magic solutions. It can bite the bullet and constructively confront the challenge, or hide its head in the sand and make the problem worse by procrastinating.

The federal government is no different. It faces the same problems. It cannot pretend that the changed realities are not there, or that hard decisions do not have to be taken. The line of attack we are taking is not essentially different from the action ordinary Canadians would take.

For example, recent polls have indicated a change or shift in Canadian attitudes and priorities. It is not that Canadians no longer think that day care is important. They obviously do. The shift reflects a changed environment, requiring new responses consistent to the new realities.

We all know what these changed realities are. The recession has brought about increased unemployment and higher levels of social assistance. Canadians perceive these problems differently now. They realize that they are no longer the problems of a small minority.

Traditionally, the typical Canadian was not worried about job security. Now middle income families know of middle income neighbours who have lost their jobs. Adjustments to the work force have affected professionals, white collar workers and blue collar workers.

Levels of education and technical abilities are no longer a cocoon of artificial protection. High-tech professionals are just as apt to have their positions terminated as the labourer. Hospital nurses, teachers and other professionals experience similar anxieties and concerns about their future.

Food banks are commonplace and the beneficiaries are not only those with low incomes. Many who have never previously thought it possible that their family might require these kinds of services now know that no one is completely free from the uncertainties that exist in a changed environment.

How have these realities changed our perspectives and therefore our priorities? For one thing, the level of awareness about poverty is much higher than it used to be. Canadians know that the number of families living in poverty is much greater than they previously believed. They are now more aware that poverty can and most often does come about through no fault of the individual affected.

The socio-economic forces at work are beyond the control of individual families. The typical Canadian has confronted the fact that many of their fellow citizens are facing hardships and want the government to take action.

If a typical Canadian is asked to priorize the following problems: a 10-year old requiring day care, a physically abused child, a sexually abused child, a hungry child, there is no question that day care will no longer be at the top of that list. No person of conscience would turn their back on the hungry or the abused child. Neither could we.

The number of children living in poverty in Canada is just not acceptable to us. The painful decisions that have to be made must be shared by all. It cannot be inordinately carried on the backs of impoverished children. Consequently we have done what most Canadians would

have us do, we have opted to ease the conditions faced by children living in poverty.

Given that there are no magical sources of new money to address these problems, what can be done? First of all, it is important to streamline expenditures and the administration of expenditures so that money reaches those who need it most.

The objective of the child benefit is to create the best possible program for families with children. To do this, the new benefit puts resources where they are needed. The new child benefit puts resources where they are needed. The new child benefit provides more generous benefits, an additional $2 billion over the next five years to low and middle income families. The new child benefit is fairer. It is based on family circumstances, it rewards work and it supports low and modest income families.

The new child benefit is simpler than the patchwork of measures it replaces. Currently 600,000 family allowance cheques are sent each month to high income families and the money is then recovered.

• (1220)

The new system will calculate automatically and deliver a single monthly cheque to over three million families. Thus the new child benefit becomes a major step in improving benefits for families with children. Under the new system, a low income family with one child can receive as much as $1,520 per year, an increase of almost 50 per cent.

Child benefits will be increased by $2.1 billion over the next five years. However, money alone is not enough. We will be consulting with provincial colleagues and key groups on a related package of initiatives directed more specifically toward helping young children as risk.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I am delighted to rise and speak on this motion introduced by my colleague for Halifax which reads:

> That this House condemns the government for its failure to protect and promote the fundamental rights of Canadian women especially as reflected in the 1992 budget.

I ask, Mr. Speaker, why? The answer is best summarized by the statement issued by the president of the National Action Committee on the Status of Women, Miss Judy Rebick when she stated: "This is not a direct hit like the last time", that is referring to the 1991 budget, "but it is a much more profound attack on women—it is more global".

Why is that? Immediately I will set out before the House the reasons and outline them. First, the Tories have abandoned their promise to introduce a national child care program. Second, the government has eliminated the Court Challenges Program which was introduced in 1985 and has provided funds for women, minorities and disadvantaged groups to mount court challenges under the Charter of Rights and Freedoms.

The Charter of Rights and Freedoms would be a hollow document if the rights contained in it were not exercised. The Court Challenges Program ensures that those rights are exercised. Witness the recent example of a ruling by the Supreme Court of Canada on the constitutionality of the federal obscenity law through the help of the Court Challenges Program. The decision rendered is crucial to our understanding and recognizing the harmful effects of pornography on women and children.

The third reason why this budget reflects poorly on women is that this budget attacks the spouse's allowance. The majority of low income seniors that would benefit from this allowance, those between the ages of 60 and 64, are women. Fourth, this budget has attacked the Pay Research Bureau, and thereby indirectly attacks the pay equity principle. Last, this budget has cut back on social housing on which many single mothers rely for shelter.

In February 1991 I was part of the Liberal task force on the recession of the economy when it met in Winnipeg. A hotel in the southeast end was the venue on a bitterly cold day in the depths of winter. At that time we thought the recession, like all prairie winters, was showing the worst of itself. Well, we were wrong. There was still much more to come. We learned how much lack of money and human tragedy have in common. On that day in the hotel room the testimony I heard shocked and saddened me, especially the words of the women.

Three witnesses particularly stand out in my mind. They were representatives of the Native Women's Coalition who told us simply with a stark forcefulness about the hell in which many natives live. We were told that on most reserves women have no shelter from abuse in their homes. Because of this it is not uncommon for teenagers to get pregnant in order to qualify for enough social assistance to move away from their families and into the cities to their own apartments.

My horror grew when in the months that followed I heard more and similar stories of abuse, poverty, neglect and despair of women, young and old, of every age and race.

Taken separately these stories seem unrelated, distanced by circumstance. But woven together they form a cloth of shame the federal government must wear.

Imagine a 12-year old boy in Toronto who suddenly became troubled and aggressive. His parents, who both work outside the home, sought counselling from a psychologist. The problem they found was that the boy was stretched out of shape with grown-up responsibilities because the family could not afford or find proper child care. The boy spent four hours a day caring for his younger brother and sister. His boyhood was fast fading as a curtain of burden was drawn around him.

He did not have time to play with his friends. Private time was beyond his reach. Even his parents, exhausted from their jobs, bills and commuting were too tired to realize his needs. This boy has become the face of the government's oft-promised national child care program that a few hours before the budget was introduced, the Minister of National Health and Welfare had the courage to boast he was not introducing. It was really a sad day for Canada.

Let me quote from the opening paragraph of the *Winnipeg Free Press* editorial of March 1 entitled "Retreat from day care":

> It is tragic for parents of young children and young people who hope to raise families that polls say Canadians no longer view a national day-care program as a priority. Health Minister Benoit Bouchard claims he has polls which tell him as much.

It continues:

> To use that excuse to abandon government promises advanced to woo voters in 1984 and in 1988, however, is cynical and harmfully shortsighted.

Let me quote from the column of Mr. Leonard Shifrin in the *Free Press* of March 13, 1992. He said:

> Cutting the surtax rate to give $450 benefits to $100,000 earners and $40 benefits to $25,000 earners will cost the treasury $1.2 billion next year—three times the price of the child care plan.
>
> A government that can afford such largess for the rich doesn't have to choose between increasing day care spaces and fighting child abuse.

In Winnipeg a single mother on welfare went on trial for the death of her young son. She was acquitted. The judge apologized for her suffering. The boy, one of two children, had died when he climbed on to the stove when his mother left to do laundry. Police found an apartment that was clean and tidy, with play things but with very little furniture. The woman's background showed she had once been caught stealing diaper ointment and that she had pawned her furniture to buy food for her babies. This is a sad story indeed.

How many of us would wish to grow old? Do you stand before the mirror and ask the lines on your face to deepen and the seasons to pass more quickly? Yet there is a legion of people in Canada who anxiously await old age so they might be able to climb out from under the weight of their poverty. These people are mainly women in their late 50s and 60s. They are often without job skills or are at the mercy of the marketplace that hungers for youth. Usually they are alone, their husbands dead and their children unwilling or unable to help. They have lived through wartime. They have contributed greatly to the prosperity of Canada, yet they have no share of it. Most do not qualify for Canada Pension Plan benefits. Some are eligible for spouse's allowance which is not a great deal of money, but it means a great deal to those women who have nothing. It helps them to preserve their dignity in the face of abject poverty.

For most people age 65 means retirement. They can pick up those books they always meant to read, start new hobbies, golf, visit with grandchildren and travel. These times are the golden years. To the women who wait to grow old, age 65 means an old age pension.

Last week members of a federal seniors organization travelled to Ottawa to meet with members of the Liberal caucus and relate their fears. One of the women told how difficult it was for seniors to pay for the upkeep of their homes. Previously they were able to apply for home maintenance grants from CMHC, but the granting program was cancelled. Once seniors cannot pay for the upkeep of their homes they are usually forced to sell them. Then where do they go? Where will they go when the government pulls back from commitments to social housing which is often the only alternative left to many, many seniors?

In conclusion, let me say that the pay equity program is another problem. The Charter of Rights and Freedoms guarantees equality today but not tomorrow. If the government was to respond, it would respond with vigour. Women in this country need the government's help, yet with this budget they got less than zero. The child benefits package is a fraud. Child care has been killed. The Court Challenges Program was cancelled. The spouse's allowance has an axe hanging over it and pay equity is being ignored.

Social housing also took a direct hit and suffered a funding cut while the Co-op Housing Program was eliminated. Indeed, the 1992 budget fails to meet Canadian women's dreams and aspirations. They will continue to face the inequitable and grim realities.

Therefore, through you, Mr. Speaker, I ask this government to resign.

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, my question is quite simple. The member opposite in the Liberal Party condemned the government for cutting funding to the Court Challenges Program, social housing and some other programs.

I would like to ask the member what taxes he would raise to fund those programs.

Mr. Pagtakhan: Mr. Speaker, it is interesting that the government member would ask such a question. He assumed the Liberal caucus would like to see taxes raised. It is such a fallacious premise that his question does not deserve an answer. It is an insult to Canadians. There is a beautiful principle expounded by the United Nations that when resources are limited, you have to reallocate resources and make priorities. Our priorities are the children and women of this country.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, under the Conservatives, an increasing number of women and children have joined the ranks of the poor. It is a fact that if poverty strikes parents, it strikes their children as well, and it is also a fact that a disproportionate number of women are found among the most economically disadvantaged in our society. No form of poverty is acceptable, but the alarming number of single-parent families headed by women that lack the bare minimum to survive is intolerable. The Canadian government told Canadians to expect a realistic budget. The Tory reality is that 2.3 million people in this country are on welfare, 1.5 million are unemployed, 3.8 million, including one million children, do not have the bare necessities of life and more than 60 per cent of mothers who are on their own, divorced, separated or single, are poor.

The 1992 Tory budget does nothing to deal with the problem of poverty in this country or to improve women's quality of life. In fact, the budget contains a number of measures that are particularly hard on women and children. Let me explain.

First of all, the Mulroney government broke its eight-year old promise to implement a national child care plan which would have given women and children a chance to get out of the poverty cycle. The government is misleading when it tells Canadians it had to choose between child care services and programs for children at risk.

The president of the Canadian Advisory Council on the Status of Women, Glenda Simms, exposed the flaw in the government's reasoning when she said that child care services are a way to ward off danger. Why does the government see abused and poor children as different from those who need safe and affordable day care? We know the government has cut more than $3.5 billion from the family allowance envelope since 1986. Its child benefit measure will not help fight poverty. This benefit will be of no use to abandoned or single mothers on welfare. Since the child benefit is not indexed, its value will go down, and we have the same amount of money we had before, except that the packaging is somewhat different.

Another item. The budget scrapped the Court Challenges Program, implemented in 1985, which gives women, minorities and disadvantaged groups the funding they need to defend their cases before the courts, as provided under the Charter of Rights and Freedoms. Since the program was established, there have been a number of landmark judgments, including the Forest case which led to the reinstatement of language rights for Franco-Manitobans.

The Charter of Rights and Freedoms is merely a mechanism that can be used to abolish discriminatory legislation. It does not guarantee individuals the resources they need to challenge legislation that prevents them from exercising their rights before the courts. Without the funding provided under the Court Challenges Program, the rights in the charter have no real meaning for disadvantaged groups.

[*English*]

Bertha Wilson, the very famous and renowned judge who just left the Supreme Court this past year said that the Court Challenges Program, which was axed in this budget, was an imaginative and worthwhile program and should be saved.

Wilson recently wrote the Minister of Justice to express dismay and distress over the cancellation of this program which has an annual budget of $2.75 million. She said:

> It is totally illusory to confer rights on people who do not have the means to enforce them, and I assumed that the expansion of the Court Challenges program was an effort to address this problem. While I fully appreciate, of course, that all governments are currently in a period of financial restraint, I must say that I have difficulty with a policy that places the burden of that restraint on those who can least afford to bear it.

As a member of the Supreme Court, Wilson said she witnessed how invaluable the program had been to minority groups and the disadvantaged. She went on to point out: " I believe I can say with complete confidence that the public has unquestionably received full value for its money on this particular program".

• (1240)

That program provided funding of up to $35,000 at each court level to individuals and non-profit groups for test cases challenging federal laws and policies under the charter's language and equality guarantees.

The Conservative chairman of the all-party committee, the member for Oxford, has written to the Prime Minister to protest as well. He said: "We are optimistic we might be able to persuade the government to find some other ways of providing this kind of service".

But the multiculturalism minister and member for Pierrefonds-Dollard said the program has outlived its usefulness and the provinces will have to step in to fill the gap. While this program was established in 1978 to help fund minority language rights cases, it was extended in 1985 after the powerful equality section of the charter was proclaimed. I recall being part of the committee that reviewed that particular section 15 of the charter and made the recommendation to enlarge the challenges program.

The third point I bring to your attention—

[*Translation*]

—is the spouse's allowance program that was meant to help disadvantaged older people under 65 until they became eligible for Old Age Security benefits and the guaranteed income supplement.

Page 101 of the budget papers shows the government's intention to seriously reconsider the spouse's allowance program if the courts ruled that it had to be extended to divorced and single people. If this government acts, this measure will affect the most vulnerable and economically weakest people aged 60 to 64, largely women.

In addition, I would draw attention to this month's increase in Old Age Security benefits. The amount of 37 cents is really insulting; the previous increase was 75 cents. Certainly that is not enough. You cannot buy a cup of coffee or even a slice of bread for that amount.

Another thing that I would mention is the downgrading of pay equity. Finally, I would call attention to the cuts for social housing.

On the subject of salaries, not only did this government abolish the Pay Research Bureau but it also announced a reduction in back pay for public servants. Indeed, the government does not intend to grant more compensation for the period before November 1, 1990, and it will take the required action in Parliament to implement this decision. This means that if you don't like something, you abolish it. For 80,000 public servants, this is a rejection of the principle of pay equity.

Finally, there is the subject of isolated or single mothers who need social housing. This government announced that the growth in spending on social housing would be limited to 3 per cent until 1997. On that point, I would mention that this government not only reduced the number of social housing spaces by nearly 50 per cent but it also abolished the co-operative housing program, which nevertheless was cost-effective and made it possible for seniors, one-parent families, the disabled and the poor to live in affordable housing.

In closing, Mr. Speaker, I again draw to your attention that this budget is disgusting for women and certainly for people in financial difficulty.

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, as I listen to the hon. member for Mount Royal, the first thing that comes to my mind is that it would be absolutely necessary for the government to be able to print money in order to solve the numerous problems that many Canadiens are facing.

It is absolutely absurd to hear things such as: "If the government must review the allowance program for widows, this could be applied to divorced people and others that might need that money". It sounds as though the government is no longer capable to act because it is

always subjected to the decisions made by the Supreme Court of Canada following the implementation of the famous Charter of Rights and Freedoms that the Liberals left untouched.

I would like to ask a question of the member for Mount Royal. I approve of the Charter of Rights and Freedoms, but I often wonder if it would not be possible to amend this famous charter in order to avoid excessive recourse to the courts, thus preventing the government from acting selectively when a certain group has a particular need. The member is aware that 50 year old people now want to have access to the Program for Older Worker Adjustment, just like the 55 year olds. If the government agreed, you would then say: Why not make the 45 year old workers eligible? Surely, the government must impose some limits.

When the Liberals were in power, they set up a scientific research program that was a national scandal, a fraud of $1 billion through a program that had been decided by the former finance minister of the Liberal government. Just imagine if the government had that one billion dollars. Programs such as Canada Works, and all the others; the tap was open. The Liberals had money and there was no problem. We got here in 1984 and we inherited that legacy. Of course you inherit serious problems in times of recession. It is very nice to make statements of principle and to try to make political capital on the backs of children and women in difficulty, but what is our capacity as a nation to pay? The Liberals from the other side of the House never answered that question.

Mrs. Finestone: Mr. Speaker, it is a rotten thing for a member of this House, regardless of his party, to say that he or she does not like the Charter of Rights and Freedoms. The hon. member is not pleased that we made changes, that we gave Canada a Charter of Rights and Freedoms to protect the most needy, a charter that gave them the opportunity to present their case and seek justice before the courts. This is really a sad, lousy and unacceptable attitude.

Also, regarding the needs of the most needy, a choice was made by the minister of National Health and Welfare, who said that he was the killer of two important programs: one in the transport sector, and now this one which was aimed at providing day-care services to families.

When you govern, you have the opportunity to make political decisions. It is sad to see that the political decisions made by this government were to help the rich; now the gap between the rich and the poor has become totally unacceptable. If this government, through its policies, was not able to choose another option, it is truly time for Canadians to do what is necessary to change this government. That is what we need: a change of government.

If the government had wanted to do so, it would have made cuts in office personnel, those people that eat out of the public through, and then it would really have been able to eliminate the advertisement and the publicity surrounding all its projects to try to fool the public. Indeed, this government is really trying to deceive Canadians.

There are political decisions to be made, such as the Charter of Rights and Freedoms and the program that helps me and the needy to go before the courts, as well as older and younger women, mothers, and especially children who live in poverty. None of these groups have been served by this government and its new budget which abuses the public.

The Acting Speaker (Mr. Paproski): Questions and comments have now ended. Debate.

[*English*]

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, I am pleased to rise today to speak on this very, very important issue, the government's commitment to the equality of women. I am pleased because I believe the government has repeatedly shown its commitment to improving the position of women in Canadian society. It has shown determination in addressing issues which are of concern to women and which hinder the advancement of women. Of course, more could always be done and we are working on doing more.

• (1250)

In no area is this more evident than in the area of the issue of violence against women. This is not just a recent concern of the federal government. This government has been working hard to understand this issue since the early 1980s, to develop and to implement effective

responses to this complex, devastating and costly social evil.

No government has worked harder at listening to women. No government has worked harder to involve women and other sectors of society in developing solutions.

No government has worked harder to bring home to Canadians the realization that violence against women costs our society dearly and that we all share the responsibility to address it.

The federal government has accepted its responsibilities to send the unmistakable message that violence against women in all of its forms, emotional, sexual, physical abuse or the denial of women's rights is never, never acceptable.

We are committed to act in areas which are clearly a federal responsibility. We are committed to supporting community action. We are convinced that action is needed across many fronts. We are convinced that all the tools available in a modern society need to be employed in a co-ordinated and comprehensive fashion to prevent, to reduce and to one day end violence against women.

This approach of reaching out and working with women and other partners of society is succeeding in shifting the political and social momentum on this issue. This approach is helping women to galvanize other groups and institutions to examine their response to this problem and to take action.

Even as we speak today, the Canadian Panel on Violence Against Women is at work crossing the country listening to women. It is reaching out at the grassroots level to improve our knowledge of the problem, and to produce solid recommendations for preventative action.

Announced in the Speech from the Throne in May of 1991 and launched three months later with a $10 million budget, the panel is evidence of the depth of this government's commitment, not only to ending violence against women but also to ensuring that women are fully involved in developing the solutions.

The panel came into being as a result of the unwavering vision of thousands of Canadian women who insisted on a society in which they could live without fear.

We as a government received petitions and requests from women all over Canada asking for a national inquiry into this issue. I personally was petitioned by many women from my own constituency who wrote and called me on this issue.

Women wanted greater public awareness and a chance to speak out about their own experience. They wanted to share in a process of discovering what needs to be and what can be done to end the violence against women and to heal the wounds that it causes.

The members of the panel were chosen in careful consultation with representatives of women across Canada. This consultation has resulted in a panel which exemplifies the finest in knowledge, experience, sensitivity and leadership.

It is a panel which collectively represents the perspectives of the various regions of Canada, urban and rural, as well as a first-hand knowledge of the unique needs and concerns of aboriginal women, immigrant women, and visible minority women. Above all, it is a panel with the front-line experience which is so critical to the understanding of this issue.

The panel has a comprehensive five-part national mandate. First is to examine violence against women in all of its dimensions, be they physical, psychological or sexual in nature, and whether they occur in the home, the workplace, the street or the media. It will examine the violence as it occurs in trusted relationships such as those involving physicians and clergy, in dating relationships and including cult and serial violence. We read about these problems every day in the newspaper. The panel is examining them right now. It will also document the incidence, root causes, effects and links among various forms of violence.

Second, it will identify the issue and name the violence from the perspective of the woman's experience.

Third, it will heighten public awareness about violence against women.

Fourth, it will seek solutions relating them to the root causes of violence against women and it will emphasize prevention.

Fifth and finally, the panel will produce recommendations designed for governments at all levels, the non-governmental sector, business and organized labour, churches, schools, communities and individuals.

It will devise a plan of action with concrete timeframes for federal government action. The panel functions at arm's length from the government and it has an enormous task to complete in a relatively short period of time. The final report is due at the end of this calendar year.

At the present time the panel is fully engaged in the first phase of its mandate. It is holding a series of grassroots, largely private consultations in five nine-day tours to over 100 communities across Canada. So far, the panel has visited British Columbia, my own province of Alberta, Quebec and the Atlantic provinces. It is presently holding meetings in Ontario.

The panel is taking that approach to ensure that it is accessible to women everywhere in the country and to make it possible for women to come forward and speak about something which is so terrible and so sensitive that for years women have borne it in silence and in fear.

The panel expects to complete this first phase of its mandate next month and to issue a preliminary report by May 27, 1992. It will then enter its second phase which will involve a series of public consultations.

The very fact that this panel is at work examining this issue is already furthering the objective of public education and helping to send out the message that violence against women must be of concern to every man, woman and child in this country.

It is helping to get the message out to institutions, companies, professional organizations and labour unions. It is providing a forum and a focus for all sectors of society to come together to deal with this issue.

The panel's work is being well received across the country. Women and front-line experts are responding to the panel's call for involvement. We must remember that the panel itself is, for the most part, comprised of these front-line experts.

People have been involved in this issue for many years. The media has been receptive to the work of the panel, and the momentum for change is being maintained by the very presence of the panel in communities all across the country.

It is partly through this kind of continuing public awareness that we, as a government, believe that we can build zero tolerance of violence against women in society.

The more people who know that such violence exists and how to recognize it, the fewer people will tolerate the social, physical and political factors at work to perpetuate the abusive power in Canadian society.

The more intolerant society becomes toward abuse and violence, the more understanding it shows for the victims of the abuse, the easier it will be for women to stand up to the abusing.

Some have suggested that we already know enough about violence against women and that we need not study it further. Research has been fragmented and scattered leaving individuals, groups and communities to grope for information and solutions. More often than not, they have found that the answers have often posed more questions rather than solutions.

The panel's work will do much to remedy this situation. It will bring together what we now know about the issue of violence against women and will make it readily available to all those who need it. The work will add to what we know. It will point out what we do not know and what we still must find out.

The Acting Speaker (Mr. Paproski): I think we should call it one o'clock and the hon. member will then have 10 minutes remaining in his speech plus 10 minutes for questions and comments, once we return to debate after three o'clock.

It being one o'clock, I do now leave the chair until two o'clock this afternoon, pursuant to Standing Order 24(2).

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

IRAN

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, Nathan Abramowitz sent me a picture of a stamp being issued by the Iranian postal service to mark the UN International Day of the Child.

I was deeply disturbed by the stamp which pictures a young boy throwing a rock through a Jewish Star of David on an ocean-blue sheet of glass. This stamp exploits innocent children, using them to promote and incite violence and hatred toward Jews.

Iranian officials must recall this stamp and stop inciting violence against Jews.

External Affairs officials have told the Iranian ambassador that Canada strongly objects to these stamps. We must continue to pressure Iranian officials to stop this intolerable anti-Jewish campaign, especially in the name of the world's children.

* * *

PARLIAMENTARY FORUM ON DISABILITY

Mr. Neil Young (Beaches—Woodbine): Mr. Speaker, yesterday, something absolutely extraordinary happened here on the Hill.

An assembly of CEOs, union leaders and Canadians with disabilities listened and applauded Justin Dart, an American civil rights leader, as he praised Canada's record on equality and freedom. He challenged us to protect equality and empowerment as basic tenets of democracy.

Equality and empowerment must be fostered by our collective sense of who we are as Canadians. They must be protected by government.

The values of our society, equality and empowerment, must not be compromised by ignorance nor eroded by economic excuse. Chopping programs such as the Court Challenges Program and Silent News is not the way to go.

Thank you, Mr. Speaker, for bringing business and labour together in your Parliamentary Forum on Disability. With your support, equality and empowerment will become a reality for all Canadians.

* * *

GASOLINE ADDITIVES

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, in spite of my repeated warnings and countless appeals over the past two years to ban the gasoline additive MMT, this government continues to ignore the health risks, especially to young children, environmental risks and the damage to pollution controls by continuing to allow this insidious neurotoxin to be added to unleaded gasoline in Canada. This compound has been banned in the United States since 1978.

In January of this year, after the direct intervention and appeals of five major car manufacturers, three automobile parts manufacturers associations, environmental organizations and academics and medical specialists, the U.S. Environmental Protection Agency again rejected an application to allow MMT in U.S. unleaded fuel.

Why are Canadians not being afforded the same protection as our neighbours to the south? Why is this government willing to ignore the evidence and willing to continue to risk the health of Canadians, especially our children?

* * *

ABORIGINAL LANGUAGES DAY

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, traditionally our educators were our elders who taught us the way of managing and prospering in harmony with the natural world.

I therefore ask this House to endorse today, March 31, 1992, as National Aboriginal Languages Day in order that we may promote and enhance an awareness and revival of our aboriginal languages.

I also encourage all aboriginal people to participate in activities that will help recognize this unique day and recommend that they all learn at least one word a day.

[*Editor's Note: Member spoke in Cree*]

As one of our elders said: "If we can speak and understand our language, our elders can then tell us who we are".

[*Editor's Note: Member spoke in Cree*]

* * *

ABORIGINAL LANGUAGES DAY

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, today marks the fourth anniversary of Aboriginal Languages Day.

There are 11 language families, 53 languages and over 200 dialects which embody our unique relationship to the Creator, reflect our traditions and our values.

We ask all peoples to use March 31 as a day to celebrate our survival as a peoples and to promote and preserve our aboriginal languages so aboriginal children in generations to come may proudly speak of their culture in their mother tongue.

[*Editor's Note: Member spoke in Inuktitut.*]

* * *

GYPSY MOTH

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, Canada is facing a potential crisis because of the arrival on its shores of the gypsy moth. This moth is normally native to eastern Asia and has been transported to our shores by freighters. Although localized right now, it can spread swiftly throughout B.C. and possibly other parts of Canada.

We have been working in co-operation with the U.S. to find a solution. They have taken action to deal with their problem. We have yet to deal with ours. The objective is to prevent further infestation.

The Department of Agriculture is planning aerial spraying in Vancouver next month. It is imperative that we proceed. If left unchecked, this infestation will have a devastating effect on Canada, economically as well as environmentally.

* * *

POVERTY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, while it should not come as a surprise, doctors are now stating publicly that Canadian children are dying from malnutrition, dying because they are poor.

Canada's 377 food banks are unable to meet the demands of the hungry and social assistance rates across the country are inadequate to meet the nutritional needs of Canada's poor.

The Minister of National Health and Welfare recently told a Vancouver audience that child poverty has been on the decline. This is an appalling error on the part of the minister responsible for children. In fact child poverty is on the rise in Canada.

Less than two years ago the Prime Minister told heads of state that "funding is important but it is not, in the end, the decisive factor in the war on child suffering. Political will is".

I challenge the Prime Minister to exercise political will and ensure that all Canadian children are properly fed. It is time he stopped listening to John Crow and started listening to Canada's hungry children. What Canada needs is not zero inflation but zero child poverty.

* * *

TRANSFER PAYMENTS

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, the government has been subjected to opposition harassment that we are off-loading. A decline in the increase in transfer payments is not off-loading.

I am deeply concerned for the taxpayers in my home province of Saskatchewan. Just last week the Saskatchewan NDP announced a 15 per cent cut in transfer payments to municipalities, a 5.5 per cent cut to hospitals, and a 4 per cent cut to education. These actions are absolutely unprecedented and unacceptable.

These actions are off-loading in spades.

The people of Saskatchewan have begun to ask if the harmonized tax system begun by the previous government was all that bad after all.

* * *

JOEY SMALLWOOD

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, 43 years ago today Newfoundland and Canada became one nation. Let me note the occasion by saluting the memory of the man who was most responsible.

A bit of each of us died with Joey Smallwood last December. He embodied our stubborn will to hang on to our way of life while improving our lot. Much of Joey lives on with us. His crusade to smash the curse of isolation transformed a thousand pockets of population into a closely knit community whose culture is intact.

Many of Joey's battles are still ours to win. We are still the poor cousins of Confederation though great strides have been made, thanks to his vision.

Joey Smallwood, a great Newfoundlander by birth, a great Canadian by choice. Newfoundland, a proud partner in Canada.

* * *

MERCHANT MARINE

Mr. Doug Fee (Red Deer): Mr. Speaker, even as a land-locked western Canadian, I was delighted that our wartime merchant seamen received such good news last week. Many red herrings were produced over the years to deny them equal footing with those who served the country in the army, navy and air force.

Merchant mariners were not subject to military discipline it was said. They were free to sail or to stay ashore. That makes the contribution of our merchant mariners all the more admirable. They did not have to, but they climbed aboard their ships and voyage after voyage faced the perils of torpedoes, shells, bombs, and gales. They had the option of staying ashore but instead they continued the vital work of sustaining the supply lines, the lines that ensured victory.

I am proud that my government is going to be bringing in legislation giving our high seas mariners their full due. As the Minister of Veterans Affairs told them last week: "Welcome aboard".

* * *

• (1410)

FISHERIES

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, the Conservative government once again cut the budget allocation for west coast charter fisheries officers.

These budget cuts will destroy the management in the west coast salmon fishery. There will be no fisheries officers to supervise the commercial, sports and food fisheries. There will be no fisheries officers to make spawning fish counts, to estimate escapement.

Without these counts, it is impossible to estimate the expected salmon return. Without this information, a fishing plan cannot be developed. Without the information, fisheries management is impossible. The government must supply sufficient funding to hire enough charter fisheries officers to carry out proper fisheries management and enforcement.

The government must know you cannot save money by destroying the west coast fisheries resource.

* * *

WELLFUND AUDIO VISUAL LTD.

Mr. Stan Wilbee (Delta): Mr. Speaker, I have the pleasure of reporting some very good news to the House today.

Last week, I attended a sod turning ceremony for the construction of a new television manufacturing plant in my riding of Delta, British Columbia. With the help of a $3 million loan from this government's Western Economic Diversification Program, Wellfund Audio Visual Ltd. of Hong Kong is establishing the $14 million dollar plant on Annacis Island.

Due to the free trade agreement, this new project will be able to produce low cost television sets to compete in the U.S. market which is now almost exclusively dominated by Asian imports. Besides creating new manufacturing technology and spin off benefits for the local electronics industry, this new plant will use components from Ontario and the U.S.

I am extremely encouraged to see this type of investment in Canada and, more important, to see the creation of up to 250 jobs for my constituents, a significant portion of which will be in research and development.

This new plant is a real winner for Delta, for Canada, and for the free trade agreement.

* * *

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, on March 17, 1992, the Minister of Fisheries and Oceans announced the 1992 allocation of developmental species.

It is my understanding that the minister received applications from the Canadian fishing industry totalling 300,000 tonnes. As part of those applications for developmental species, applications had to contain a three-year business plan. This was beneficial to the industry as it allowed it to have stability and planning in the under-utilized species.

However, when the minister approved the applications, they were not for the full amount of the unassigned quotas, and they were allotted only for a one-year basis. This means that, one, we will continue to see foreigners catching fish within our 200-mile zone and we have applications to develop all that these foreigners can catch. Two, our own companies cannot shore up their developmental plans for those under-utilized species as they are not sure if they will be given under-utilized species for more than one year.

People in Nova Scotia cannot understand why the minister has acted in such as way to the detriment of Canadian communities which are so dependent on developing new processing for these under-utilized species.

* * *

[*Translation*]

COMPOSITE MATERIALS

Mr. Jacques Vien (Laurentides): Mr. Speaker, I recently visited the composite materials centre at the Saint-Jérôme CEGEP. This centre makes state-of-the-art technological expertise available to various industries. Composite materials combine a fibre core and a covering made of polymer, inorganic material or metal.

The Saint-Jérôme CEGEP Centre focuses its expertise on technology transfer and the development of new industrial products. In particular, it contributed to the channel tunnel joining France and England. In addition, the Saint-Jérôme composite materials centre co-operates with various universities throughout the world.

It must be emphasized that this is a centre of innovation that is available to all businesses. I therefore invite interested entrepreneurs to use its services.

* * *

[*English*]

HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, people keep writing to me with excellent advice.

For example, Bill and Joanne Stanzeleit write: "My, and my family's, future is in the hands of politicians. We think Canada is the greatest country on earth and we are afraid that it is falling apart. I have lived in Ontario, Quebec, Saskatchewan and Manitoba, and think one step toward a brighter future would be to educate Canadians about their own country".

Eitel Hippler of Campbellville writes me: "I have lived in this country for 41 years, done my best, was well compensated and learned to live within my budget. A rich country like Canada, with good qualified leaders should do equally well. I compliment the government on a fine job."

Finally, Dr. Dean Axelson, not a constituent, from Willowdale writes:

> I believe that we as Canadians have to be less socialistic and cut down on what we give for free. We must be more concerned about the needs of Canadians and less concerned about aid to other countries—We have to find ways to lower our tax burden and give employers an incentive to create jobs. Employers are losing more rights all the time.

* * *

[*Translation*]

FIREARMS CONTROL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Minister of Justice and Attorney General of Canada today tabled the regulations on the control of firearms. These regulations deal in particular with the capacity of loaders, collectors of restricted firearms, firearms acquisition permits and the storage and transportation of firearms.

These regulations will help better protect the public by reducing the number of thefts and accidents caused by firearms. Interested groups that wish to comment on the regulations should let Parliament know their opinions before these regulations take effect. The dates of coming into force will be set later and advance notice will be given.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. First of all, I would like to say that we on this side of the House congratulate the Prime Minister on the speeches

he made last week in Quebec, where he defended Canada so vigorously. We also appreciate what was done by the Minister Responsible for Constitutional Affairs on the weekend in Alberta, where he was not afraid to stand up for his country, despite threats that he might lose his riding.

My question, however, is this: When will the Prime Minister instil the same courage in ministers who have been in his cabinet for seven years? The responsibilities of a minister in the Canadian government include defending Canada in Quebec and making Quebecers understand that the future of the French fact in North America depends on a Canadian solution.

Right Hon. Brian Mulroney (Prime Minister): I want to thank the Leader of the Opposition for his comments. It must be disappointing for those who are trying to destroy Canada to realize that despite the attacks, insults and fabrications, it is clear from the polls that if you ask Quebecers whether they want a separate and independent Quebec or a renewed Canada, every time they will opt for Canada and a renewed Canada. I think this is a very important point.

As for Mr. Parizeau's option, which offers independence— but wait, I want to keep the Canadian dollar, I want to keep my Canadian citizenship, I want to continue to enjoy the benefits of a Canadian economic union, I want to keep the Queen and the flag— it just goes to show that even Mr. Parizeau, deep down, wants to remain a Canadian.

As far as we are concerned, I have no hesitation at all in sending a federalist message throughout Quebec and across Canada, and I am supported in my efforts by the members of my team and by others on the other side as well, and more recently by the Minister of State for Agriculture who made two extraordinary speeches in the Quebec City area, in favour of Canada, and there were many other ministers. They cannot all make the speeches on the same day, but I can assure you they all share my enthusiasm for Canada.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to inform the Prime Minister, in case he did not know, that yesterday on television, the Minister of National Defence said once again that he did not want to defend the Beaudoin–Dobbie report, which was produced by this House and which, according to the Prime Minister, is the best offer Quebec has had in 127 years. Furthermore, his Quebec lieutenant, the Minister of National Health and Welfare, said he would not go and defend Canada unless he had something better than a pocket knife, even if according to what the Prime Minister said just a moment ago, the Canadian option is still the best option open to Quebecers.

When will the Prime Minister finally ask these two ministers, who took an oath to defend the interests of Canada, to do their job or else go home?

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think the hon. member is not being quite fair to the ministers and certainly not to the Minister of National Health and Welfare. Yesterday, the newspaper *Le Soleil* reported that "Benoît Bouchard said quite frankly that Quebec's separation would have certain consequences and entail certains costs for Quebecers. When someone says there will be a price to pay, when federalists say that, it's blackmail; but if someone says it will be all moonlight and roses, everybody looks incredulous".

I believe that in their own way, the ministers from Quebec and the Quebec caucus are truly and deeply committed to Canada. There are ministers, and there are quite a few, who would prefer to be able to defend a specific plan. That is why we have been trying for some time, on behalf of the government and the Parliament of Canada, to put together a constitutional program we would all be proud to defend in Quebec around referendum time.

I will tell you what I told Jean–François Bertrand. When Mr. Bertrand told me that sovereignty was a clear option, I answered: Sure, provided you can keep your Canadian citizenship, the Canadian dollar, Canadian currency and the benefits of the Canadian economic union. He said: All right, but what do you have to offer? I told him: Mr. Bertrand, you already have it. Canada already exists. It already is something quite extraordinary. Canada is one of the great civilized countries, one of the modern, dynamic and prosperous countries on this planet. As for me, first and foremost, I am pround to be a Canadian, I am proud to live like a Canadian and a Quebecer, and until the day I die, I intend to be able to say to the world: I am proud to be a Canadian and I am proud to be a Quebecer. Both go together.

Some hon. members: Hear, hear.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I agree with the Prime Minister. I have done it for a long time in my life. I intend to keep doing it.

The gap between those who proclaim and those who talk about sovereignty—they never use the word independence and separation—is narrowing. When will he do what a Prime Minister should do, tell his ministers from Quebec, the Minister of National Defence and the Minister of National Health and Welfare to do what is required of ministers of the Crown, to go to Quebec and tell them what the Prime Minister just said to this House and not chicken out in front of these two ministers who are afraid to take their responsibilities.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, perhaps my hon. friend should be a little more discriminating in the people he seeks to reject. I do not have it with me, but I can remember that just about Christmas time last year, the Minister of National Health and Welfare on the *The Journal* during a profile of him made a statement which was as moving and as poignant in favour of Canada that anyone would ever want to hear. My hon. friend should support and applaud that.

Let us just take a second. On two occasions the Minister of National Health and Welfare stood as a federal candidate in elections on behalf of a federal party seeking to improve Canada. In 1980 the Minister of National Health and Welfare was one of those who voted on the other side. What he is learning and what he is in the process of appreciating is the magnificence of a larger vision, of a greater Canada.

If we just say to those who voted in 1980 on the other side: "Be gone. We don't want to have anything to do with you and we are going to establish your degree of patriotism", I would suggest to my hon. friend that what we should be doing is reaching out as we have been.

I can tell my hon. friend that the statements that the Minister of National Health and Welfare has been making have been most supportive of Canada. He remains a strong believer in a powerful Quebec within a strong and united Canada. I believe we should encourage all of the Quebecers and all Canadians to support what we believe is in the best interest of all Quebecers and Canadians, namely that which has brought us prosperity and unity and strength for 125 years—Canada.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is for the Prime Minister. It follows up the questions that the Leader of the Opposition just asked about this uncertainty which seems to prevail among some of his ministers from Quebec.

I would like to ask the Prime Minister whether cabinet has taken a clear and definite position on the constitutional offers that will be made.

On reading this morning's newspapers, it seems that two Quebec ministers still do not know what the Canadian government intends to propose to solve the constitutional crisis and in particular to give Quebec what the government of that province has been demanding for quite some time.

Can the Prime Minister tell us today whether the government has made progress in that regard or is it still completely in a fog and does not know what to offer Quebecers to solve the constitutional crisis?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend knows very well that we inherited a complicated situation. We inherited a situation where Quebec did not endorse the Canadian Constitution in 1981–82. We also inherited an amending formula that requires the presence and approval of the premiers.

It is not only the position of the Canadian government or Parliament that counts, but now the provincial premiers as well. In the past, they were not always inclined to support openly Quebec's traditional or historic demands. Some of them are less "hot" on Quebec's position. I think that at least one of them belongs to my friend's party; perhaps he could talk to him about it at an appropriate time.

As far as the ministers are concerned, there is no uncertainty about the fundamental commitment to a united Canada and a strong, modern, dynamic Quebec within a renewed federation, and all ministers without exception support the positions that I set forth as Prime Minister of Canada and which I defended in favour of Canada.

Hon. André Ouellet (Papineau—Saint-Michel): I have a supplementary question, Mr. Speaker.

Can the Prime Minister confirm for us that the Beaudoin-Dobbie report is now the basis of the discussions that his government is having with the provinces?

Obviously, the Canadian government must know now, at practically the eleventh hour, I would say, where it is going and must show conviction in order to convince the premiers on a constitutional proposal. The surprising thing today—and that is why the Leader of the Opposition asked those questions—is that some ministers in the Conservative government still seem to be uncertain about a proposal that would be acceptable to Quebecers. Obviously, the Government of Canada must know now at least where it is going. If some provincial premiers do not know what must be done, at least the Government of Canada must know where it is going and try to convince these premiers.

Some hon. members: Hear, hear.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my friend is raising quite a different issue.

The proposal in question must come from an agreement between the Canadian government and the provinces. If it were only the Canadian government's position, we would know right away what position to put forward. But the Minister Responsible for Constitutional Affairs must deal with the reality imposed on us by the 1982 Constitution, that is, the provinces and now the native leaders as well. That is not easy. It is one of the results. The 1981-82 strait-jacket is there. We must deal with this reality and that is what the minister is doing.

• (1430)

I can tell my hon. friend this. If at some point we cannot obtain the desired agreement, if, for example, it were impossible to convince the premiers of the validity of a parliamentary report or the urgency to act, we will know what to do. I will not hesitate to come before the House to announce all that to my hon. friend.

[*English*]

THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, certainly those of us on this side of the House, the New Democratic Party, will agree that the Constitution and the unity of the country is a very key issue.

I would like to suggest to the Prime Minister there is also an ingredient of unity which is very important and that is the faith that Canadians have in themselves and whether we have faith in this country.

As I travel around the country, I see Canadians saying that they feel insecure. The high unemployment, the results of the high interest rates, the results of the high dollar are creating that insecurity in the Canadian people and this is a factor in unity.

I want to say to the Prime Minister that what Canadians see is this country either being sold off or given away piece by piece. Last week it was oil and gas resources opened up to foreign investment. Then it was the proposed Mexican trade deal. We are perhaps looking at selling off our water resources. Today we see a possible sale of Canadian Airlines to American Airlines.

I know the Prime Minister is concerned about the unity of this country. I want to ask him when is he going to come forward with policies and show he has faith in the Canadian people, in the Canadian economy and work in the interests of Canadian labour, Canadian business and Canadian consumers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, little wonder that ordinary Canadians are confused and perplexed when the leader of the NDP persists in making abusive statements like the one that she just made.

Every question is prefaced with these kinds of criticisms, some real, most imagined, not a single solid word of confidence in Canada in the process, in everybody from all political parties who are working so hard to keep Canada together. My hon. friend should recognize that there are great difficulties that we are confronted with. It is not easy.

I was in Quebec this weekend, as the Leader of the Opposition pointed out. I want to tell my hon. friend it is tough going and we need all the help that we can get. All of those who believe in Canada, who believe in federalism, including my hon. friend, would be welcome in Quebec fighting the fight on behalf of Canada. She is held in high regard and I know that she would be welcome as a voice of reason in federalism.

What is important is that my hon. friend begin accentuating some of the positives of Canada instead of always wallowing in the negatives.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, surely we have a responsibility and this government has a responsibility to the unemployed of this country. Surely the Prime Minister will acknowledge that our nation's economy is built on our natural resources, on our transportation links, on our communication, not just north and south but east and west. Surely the Prime Minister will agree that people, to feel good about a country, have to feel that we have the spirit and the faith in each other to make sure that we can build the economy.

It is the Prime Minister's government that has opened up our oil and gas resources to foreign ownership. It is the Prime Minister's government that is selling off parts of Canada. What is the Prime Minister prepared to say to Canadians that this government has faith in them and will work for business?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, it is pretty hard to deal with my hon. friend's question which is traditional NDP griping. My hon. friend would perhaps be interested in pointing out that there was today the announcement of a modest growth in the economy, in the real GDP, small, but for the first time in some months.

Manufacturing output rose almost 1 per cent in January following three months of decline. Export oriented industries grew nine-tenths of a per cent in January. Forestry output and automotive and resource-based manufacturing showed the greatest strength. Retail trade advanced four-tenths of one percent.

There are difficulties in this economy as there are difficulties in France, the United Kingdom, the United States, Japan and around the world. We are all living in a recession. If I could wipe away everybody's troubles and problems tomorrow, I would be happy to do it. I cannot do it. All I can do is continue to work as hard as I can to try to create an environment wherein jobs and new prosperity can be created.

I would not want her to make a habit of it but my hon. friend could contribute to that and to the cause of national unity by from time to time underlining some of the positive things about Canada and the growth that is now taking place in the economy.

* * *

CANADIAN AIRLINES

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, all that Canadians are asking is that this government not continue to create problems.

I want to ask a specific question because the Prime Minister has spoken generally. There are a number of Canadians who are concerned, particularly many of us who live in less populated areas served by airlines. People in areas such as Whitehorse, Saint John, Brandon, or Trois Rivieres are concerned as they see the possibility of Canadian Airlines being taken over to a large degree by American Airlines, that this will lead to the high profit areas going to those American airlines and the low profit ones left which is not in the Canadian interest.

Is the Prime Minister prepared to assure Canadians that the Canadian interest, transportation within Canada and those communities I have mentioned, will be well served?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, first I would like to say to the leader of the NDP that what we are faced with at the present time is an announcement by Canadian Airlines that it is entering into negotiations with American Airlines to try and forge an economic strategic alliance. No deal is there.

The NTA act is there to make sure that the Canadian legislation that was adopted years ago to the effect that 25 per cent foreign ownership must be respected and effective control by Canadians be respected.

If there is a deal at the end of the day it will go through that process.

FISHERIES

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is directed to the Prime Minister. Forty-three years ago today the people of Newfoundland and Labrador of their own free will became Canadians. They became citizens of what remains, despite the difficulties and disappointments of the day, still the most privileged nation on the face of the earth.

By that act of union, Newfoundlanders brought to Canada a clear and compelling case for what is now recognized as the 200-mile economic zone.

My question to the Prime Minister is the following. In light of the efforts by Newfoundland fishermen today to make Canada's case off the the 200-mile limit, how long must the people of Newfoundland and Labrador, indeed how long must all Canadians wait for this government to move to unilaterally extend custodial jurisdiction of the nose and tail of the Grand Banks and to stop the international slaughter of north Atlantic cod stocks?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, as the hon. member well knows, the government has been going all out in its efforts to try and ensure that this resource is saved, not only for Canadian fishermen who are most important to us, but also to present to the Europeans that the destruction of the fishery is not in their interests either.

The best way to do this is through a multilateral effort and co-operation through working in Europe, through NAFO, through UNCED where we will be making a major presentation in June and the Prime Minister will be attending personally to help highlight this issue; through building support internationally for our view of the jurisdiction on the high seas and the preservation of this resource.

I was encouraged last week by my meetings with the Germans who are going to help us in dealing with some of the other Europeans.

• (1440)

As I have said before in this House, this is the way that is going to resolve it on behalf of the fishermen of Newfoundland and the fishing industry. We will leave no stone unturned until we get this done.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): On a supplementary, Mr. Speaker, the member for St. John's West, the Minister of Fisheries and Oceans, did a fly-past today over the nose and tail of the Grand Banks.

I want to tell the Prime Minister that the people of Newfoundland and Labrador, indeed the people of Canada, do not want a fly-past by the Minister of Fisheries and Oceans. They want him to pitch down and to declare on behalf of all Canadians our custodial jurisdiction over the nose and tail of the Grand Banks.

I want to ask the Prime Minister: Why is the Government of Canada encouraging, because that is what is happening, Canadian fishermen to symbolically declare ownership of the nose and tail of the Grand Banks when this government is not prepared legally to declare our custodial jurisdiction over that same area and to halt now, not next year or in future years, the slaughter of those important cod stocks, an important contributor to the food basket of the world?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I certainly agree with the hon. member that this is indeed part of the food basket of the world. That is why we need multilateral action in order to preserve it.

The actions that the government has been taking are not only appropriate but they are effective. The fact that the Newfoundland fishermen have decided as well to create their own symbols is exactly another tactic that is useful as long as it is done within the jurisdictional ambit which they are honouring as they do their sail out to the 200-mile limit today.

I cannot think of any better way than to have the government work at the diplomatic, political and official levels and have the fishermen demonstrate their own interests and the industry demonstrate its interest in this. That is a co-ordinated Canadian effort and at the end of the day that is what is going to resolve this issue.

* * *

[*Translation*]

EXTERNAL AFFAIRS

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Secretary of State for External Affairs and has to do with the Canadian hostage being held in Lebanon. On five occasions in the last six months, the minister has refused to admit that Henriette Haddad had been kidnapped in Lebanon. All other governments do their best to free their hostages. The Canadian government is the only one that refuses to acknowledge that one of its citizens has been kidnapped, and it refuses to

take measures for her release. Why has the minister refused, on five occasions, to acknowledge that a Canadian, Henriette Haddad, is being held hostage in Lebanon?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, it is not true to say that I refused to acknowledge Mrs. Haddad's problem. I am very sympathetic to the families, but this situation is not like that of hostages from other countries.

[*English*]

Mrs. Haddad disappeared in 1985 at a time when Lebanon was in great crisis. There was no stable environment in which to try to find her. No group has claimed credit, which is unusual. There are 17,000 people who have disappeared in Lebanon. We have left no avenue untrod in trying to find Mrs. Haddad or to find evidence of what has happened.

We have taken every single thing that we have been told and followed it right to the end of the road. Unfortunately, most of those roads have turned out to be dead ends.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the minister's statement in this House today is absolutely outrageous. When Terry Waite was detained no proof existed, nobody claimed him.

In fact, we know today out of press reports from Beirut that the United Nations has recognized Mrs. Henriette Haddad as a hostage. The Middle East Watch has recognized that she is a hostage. The Hostage Action Worldwide in London, England has recognized that she is a hostage.

There is only one government that has not recognized her status and that is the Government of Canada. For that, the minister owes the Canadian people an apology. I would like to ask the minister if she would render that today.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the hon. member well knows the circumstances surrounding Mr. Waite's disappearance, which was not even a disappearance. He was abducted in full view as were some of the other hostages that were taken.

The important point the hon. member is missing, which happens fairly frequently, is that the disappearance of Mrs. Haddad is a personal tragedy for the family. There is no question about that. Her disappearance should be followed up whether or not she is a hostage. That is not relevant to trying to find her. What is essential is that we follow up every single lead we have.

If the hon. member actually has a real one, perhaps she would like to tell us.

* * *

[*Translation*]

FIREARMS CONTROL

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is for the Minister of Justice who today tabled part of the regulations on firearms control. We did not get any information on the orders listing the prohibited weapons. We still do not know when this list will be published and when these regulations will take effect.

[*English*]

Is the minister aware that while she and her department fret over the list and regulations, Canadians are receiving catalogues like this one from the International Firearms company which offer for sale as non-restricted guns with 30 and 75 round magazines paramilitary weapons like those used in violent attacks by the Marc Lépines of this world against women, against other Canadians.

[*Translation*]

Can the minister tell us when these regulations will come into effect and when the list of prohibited weapons will be completed?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, it is strange for the hon. member to say that we did not finish our work because I said this morning in a press conference that I hope to be able to publish the list of prohibited firearms in June. We are now consulting the provincial attorneys general to determine what criteria to apply in prohibiting firearms. My advisory committee on firearms has given me a list of characteristics and a point system to

determine which firearms should be prohibited. Once our consultation is complete I hope, as I said this morning, that we can publish the list of prohibited firearms in June.

The important thing is that the regulations have to be tabled in the House. Members of the House of Commons have 30 days to study them, but the other regulations prohibiting firearms are not subject to this 30-day period. So, in June, I will be able to publish the orders that will come into effect immediately.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, surely the minister must be aware that she has to be faster because these paramilitary weapons are flowing into this country, pending the government bringing in these Orders in Council.

I want to ask the minister a supplementary question. Is the minister aware of the January 1992 issue of *Canadian Handgun* which suggests to the members of the Ontario Handgun Association that they should pick off members of Parliament who support gun control by stacking their nomination meetings.

If I might quote, they claim that they picked off the previous member for Vancouver Centre and they say: "It is time to send some more shivers down their backs". They say further: "For those of you who wish to support the Reform Party you can belong to as many political parties as you wish. This means you can still support the Reform Party while you are causing havoc in another".

What does the minister think of those tactics? In view of those tactics and in view of the paramilitary weapons flowing into this country, why is she delaying bringing down these regulations and these Orders in Council which Canadians demand?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, long before this House voted on the legislation to enhance our gun control legislation, I put in place a consultative committee in the spring of 1990 to advise me and the government on criteria for prohibiting weapons. Those regulations and Orders in Council will be ready in June and we will act.

I can tell this hon. member that no one on this side of the House will subvert the well-being of Canadians, will abdicate their duty, because of the kinds of threats he is reading from that particular magazine. The proof is in the pudding in the support that members on this side of the House and in fact members on all sides of the House have given to that legislation.

• (1450)

We are not afraid of controversy. We are not afraid of tough decisions. We will defend the public interest of Canada. People can write whatever they want.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, likewise my question is for the Minister of Justice.

In bringing down her regulations today, the minister stated in her press release that the regulations would take effect at a time to be determined.

The minister has been working on these regulations and on this question for two years. As she can appreciate, Canadians want stronger gun control immediately.

When will these regulations come into effect? When can Canadians get the stronger gun control that they demand?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I appreciate the hon. members question. I will be publishing a list of implementation dates.

As the hon. member will understand, some of the regulations require some co-operation with the provinces in the putting into place of administrative schemes and the training of firearms officers.

I can tell the hon. member simply from memory that the last implementation date will be the date for the implementation of the training provisions. That requires us to complete negotiations with the provinces about what the kind of curriculum will be, et cetera, and to train as many as 4,000 instructors across the country. That will be the last implementation date. That will be July 1993.

All the other provisions will be implemented sooner than that. I will be very happy to make public our proposed dates within the next couple of weeks. What I have done, in discussing this with my officials and with my staff, is to press to have the implementation date as soon as possible. What we are trying to do is simply reconcile that sense of urgency with the ability of ourselves and the provincial authorities to deliver on those promises.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to thank the minister for being forthcoming on that request. I hope the list will be coming forward as soon as possible.

I would like to ask her about one of those areas, that is mandatory training for firearms users. As the minister knows, Canadians, both those in favour of stricter gun control and those who use guns themselves, wanted mandatory training for firearms users not only as a means of informing and helping those who are going to use firearms but of screening out those who would be inappropriate for a firearms acquisition certificate.

When does the minister feel that we can have this mandatory training program in place? She obviously has been meeting with the provinces. When can we expect to have that training program in place? It is very important and an integral part of gun control.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as I said, the implementation date of the mandatory training should be July 1, 1993.

The first mandate that I gave to the Canadian Advisory Council on Firearms was to bring forward a blueprint for implementing the training provisions which in fact have been in the Criminal Code since 1978 and never put into force. It developed a curriculum which I have circulated to the provincial attorneys general.

Just as provincial governments have the responsibility for administering the Criminal Code in terms of the trial process, they also have the responsibility of implementing the firearms regulations, supported financially by the Government of Canada. The provinces have taken this under advisement. We are working to implement it as soon as possible.

As I say, that is the last of the provisions that will be implemented. I want to say to the hon. member that of the regulations tabled today there are regulations that are part of that package. When those regulations come into force there will be no legal impediment to carrying out that commitment in the statute by all members of the House who supported Bill C-17.

As I say, I think that by July 1, 1993, just over a year from now, we should have the system up and running—

Mr. Speaker: The hon. member for Ottawa South.

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TRANSPORTATION SAFETY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Transport.

Ever since the report on the Dryden air crash came out last week, the Minister of Transport has been giving Canadians the same vague assurances about safety in the skies as his predecessors did.

We now know from government documents that officials in the federal aviation administration in the U.S. told this government in 1985 and I quote:

> As you deregulate economically, it is vital that it be made abundantly clear to industry that safety regulation is going to be beefed up.

Why did the government fail to act on this clear advice? Why did it ignore the threat to safety that was posed by airline deregulation?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I do not know what the hon. member is trying to lead the Canadian public into believing.

I can assure him that in its interim report the Royal Commission on National Passenger Transportation referred to the amendments that had been made to the Aeronautics Act and said: "The federal government has introduced in 1985 sweeping changes to the Aeronautics Act designed to give Canadian aviation its most progressive safety legislation in more than 60 years and to implement the major recommendations of the inquiry into aviation safety headed by Mr. Justice Charles Dubin".

Mr. John Manley (Ottawa South): Mr. Speaker, we are trying to get this government to answer the very strong findings in the report by Mr. Justice Moshansky issued last week. So far there has not been a single response to the findings of the judge.

In a memorandum delivered to the Minister of Transport in December 1986 the minister's office was advised:

> Because of the number of inspection personnel available, and limited financial resources, Transport Canada is seldom able to completely achieve the desired target.

Why were successive Ministers of Transport telling Canadians that the skies were safe when they knew within their own office that there were problems in the department and that it was unable to ensure safety?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I think I answered that question a few minutes ago by demonstrating that all Ministers of Transport who have occupied this portfolio since the advent of this government have always been preoccupied by one major concern: the safety of all modes of transportation in Canada.

I would like to point out to the hon. member that after three years of investigation of the Dryden accident, on the day after he tabled his report Mr. Justice Moshansky reiterated in several interviews in the press, on the radio and on TV that the Canadian sky and aviation safety system is one of the best in the world.

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[*Translation*]

FIREARM CONTROL

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, the firearm regulations have been tabled this morning. It is too bad that people are treated differently whether they live in the city or in a rural area.

My question is for the Minister of Justice. Why make an exception in the regulations regarding the mandatory safety lock-up for people who live in the country on the pretext that they may need their weapon to protect themselves from predators or other animals?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, the provisions under which people who live in rural areas are allowed to store their firearms without locking them up are only temporary. The regulations state clearly that this does not allow people living in rural areas to keep their firearms permanently without locking them up. It is only meant to allow them to use their firearms if need be and in a safe way.

TRANS-CANADA HIGHWAY

Mr. Guy Saint-Julien: Mr. Speaker, my question is for the Minister of Transport. I understand that the Quebec government is neglecting highway 117, the Trans-Canada Highway, in Abitibi-Témiscamingue. However, further to the First Ministers Conference on the Economy, held on March 24 and 25, it had been agreed to give priority to proposals regarding the national highway system.

Will the minister confirm today that highway 117 from Louvincourt, Val-d'Or, Malartic, Rivière-Héva, Cadillac and Rouyn-Noranda all the way down to the Quebec-Ontario border will be seriously considered with a view to rebuilding it completely to ensure road safety and make commuting easier in the Abitibi-Témiscamingue, a remote area.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, my hon. colleague will certainly be glad to know that for the past three years the Ministers of Transport of every province and the federal Minister of Transport have been looking at the issue of a national highway system. A final study on this issue has recently been presented to us and we will meet shortly. My hon. colleague the Minister of Finance has announced that we will examine the matter very carefully, keeping in mind that Canada already gives several hundred million dollars to some provinces for the upgrading of the highway system.

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[*English*]

AVIATION SAFETY

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the Minister of Transport stated in this House last Thursday that the total number of inspectors increased from 456 in 1985 to 569 in 1991. According to the Deputy Prime Minister, when he was Minister of Transport back in 1985, the actual number of inspectors was not 456, but somewhere over 600.

I want to ask the Minister of Transport who is telling the truth.

Hon. Jean Corbeil (Minister of Transport): I am, Mr. Speaker.

Mr. Stan Keyes (Hamilton West): Then we can assume that the Deputy Prime Minister was not telling the truth back in 1985.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. member would like to pose his question in such a way that we do not get into these difficulties.

Mr. Keyes: Mr. Speaker, the minister also failed to mention that the total number of accidents increased from 1985 to 1991, that accidents involving commercial aircraft increased between 1984 and 1991 and that the near misses involving Canadian registered aircraft increased by roughly 400 per cent between 1985 and 1989.

Why is the Minister of Transport manipulating the figures and withholding other crucial statistics?

Mr. Speaker: That is an allegation and is just not appropriate.

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SMALL BUSINESS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Minister of State for Small Businesses and Tourism.

I recently met with Mr. Alvin Starr who is a partner in a small business in Markham that specializes in software development for the medical and defence industries. He is having great difficulty trying to do business with the Government of Canada.

As the minister knows, the United States have a set-aside program whereby a specific percentage of business is set aside specifically for small business. Is the minister of state for small business thinking seriously about such a program, which is so effective in the U.S.?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I would like to thank my hon. friend for his thoughtful question. We do not have a small business set-aside program and, in fact, I would not be in favour of it as it presently stands. In the United States it develops more into a ceiling than a floor.

Sixty-one per cent of all procurements through DSS go to small business—over 85,000 of them—plus the large contractors are subcontracting all the time to smaller businesses.

We also have an open bidding system. We have the Electronic Procurement Opportunities Board. The Procurement Review Board is opening up procurement to small business, and effective tomorrow we will have a new policy on Canadian content to help small businesses, but it will not be the same as the small business set-aside program in the U.S.

Mr. Speaker: I want to say to the hon. member for Esquimalt—Juan de Fuca that I apologize for a mix-up. Perhaps the hon. member would like to put one question.

TRADE

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, with some difficulty I will incorporate my question and my supplementary into one question and I will give my own answer if the minister cannot answer.

Yesterday the government produced a pamphlet entitled *Negotiations for a North American Free Trade Agreement*. On the bottom part of the pamphlet it says: "But how can we compete with lower Mexican wage rates?" and then it goes on to say: "Wages often represent only a relatively small percentage of the total cost of production".

I would ask the minister of trade this question. Does he have any specific studies, sector by sector, on the manufacturing production in this country that would prove that wages are not a factor? For example, the only study known on auto parts manufacturing shows—

Some hon. members: Order, order.

Mr. Barrett: Mr. Speaker, perhaps I will put my question tomorrow.

Mr. Speaker: Perhaps that would be the best thing.

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PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the members' attention the presence in the gallery of the Hon. John Penner, Minister of Energy and Mines from the Province of Saskatchewan.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—WOMEN'S RIGHTS

The House resumed consideration of the motion of Ms. Clancy (p. 9052).

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, when we rose at one o'clock, I was speaking about the panel on violence against women, how important its work was, how it would add to the research and how we could use that research.

One gets a sense of how much there is still to learn and how difficult an issue this is when one realizes that a recent survey by the Canadian Labour Congress shows that nearly 50 per cent of Canadians believe that women are responsible for their own sexual harassment because of their dress or behaviour. This is outrageous. We have much to overcome in Canadian society.

Why people believe these things and how they act upon them is still imperfectly understood. We know in a general sense that the victimization of women is linked to the relative inequality in society, that there is a strong relationship with patterns of behaviour based on power and rooted in our early socialization.

We also know that many factors often cited to explain violence, such as economic hardship, alcohol and drug abuse, and sexual stereotyping do not in themselves account for why violence occurs in the first place.

Until we understand the causes and how to treat them, the effectiveness of our actions to deter, prevent and end violence against women will be hampered. The work of the panel will move us forward on the path toward better understanding of the causes of this social evil. Let there be no mistake about it, the work of the panel is not a substitute for continuing action to end violence against women.

When the panel makes its recommendations there will be a call to further action by the federal government. But the federal government is not waiting for the panel's report to take a broad range of actions directed at prevention and protection of women, as well as treating the effects of violence against women.

I will only mention a few of the continuing federal initiatives which respond to the determination of women to end violence against women.

The 1991 Family Violence Initiative builds on previous efforts and doubles the resources committed specifically to domestic violence and violence against women. The Minister Responsible for the Status of Women has announced plans to co-ordinate a prevention-oriented public education campaign aimed at changing attitudes which give rise to and condone violence against women.

The minister is working hard to involve provinces, the territories, the labour movement, the business community and others in this campaign.

The Minister of Justice has begun what amounts to the beginning of a revolution in the attitudes of our justice system toward this issue. Legislative initiatives in this field include tougher laws to keep sexual and other violence offenders off the streets longer and more stringent gun control laws. The regulations were tabled earlier today, and legislation that makes it clear that no means no and prevents women from being abused and unnecessarily victimized once again by an insensitive court process.

• (1510)

This government has shown its commitment to women and its determination to help them achieve the full equality they seek in its approach to this issue of violence against women.

I would like to touch, for a minute, on the insensitivity of the court process. In Edmonton I, and other members of Parliament, have been working with the victims of Larry Takahashi. Six women came forward to protest the fact that he was given day passes, where he was released from prison in Vancouver to go out on these day passes to play golf.

One of them, in a hearing before the justice committee in Edmonton, said that two years after the police had confiscated sheets, pillow cases and a nightgown as evidence from her home, a policeman showed up at the door unannounced, rang the doorbell and handed over the sheets with huge holes cut out of them and said to her: "Here is the evidence back. Thank you very much.". That was grossly insensitive and is something we must combat. We must sensitize our policemen, our judges and the court system to the issues and to the emotions which have been affected by terrible violence toward women.

The government has embarked on a long-term course of action which it is determined to see through to its conclusion. That goal will not be reached as long as any violence against women exists. As the Prime Minister put it in August last year: "One Canadian woman suffering violence at home or elsewhere is one too many."

There is much we can do. The panel is well on its way to accomplishing its goals. I support their efforts and I think the House supports their efforts. We would like to do more and we hope for some fruitful recommendations.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, at the beginning of his speech the hon. member spoke about the government's commitment to women. He went on at some length, saying how much the government had done, how enthusiastic it had been in its work in supporting women in spite of the manifest cutbacks to which my colleagues who have spoken in this debate have referred.

The view he has taken is that everything is coming up roses in this area, which he started out by saying at the beginning of his speech, and I admit he changed his tune as he came closer to reality a little later on. Does he not agree that perhaps describing things in that way does not help the situation?

What needs to be acknowledged is the fact that despite the efforts the government has made, and it has obviously made some progress in this area and I do not deny it, the cutbacks are seriously undermining that progress. They are damaging the reputation and the progress of the government in dealing with these issues and really he ought to be objecting to the cutbacks that the government has put forward in the budget.

Mr. Thorkelson: Mr. Speaker, the hon. member has failed to realize that in my speech I dealt with one issue and that was the violence against women. In that area, we have increased resources. We have a $136 million initiative.

In 1986 the government launched a $23 million child sexual abuse initiative. In 1988, it followed that with a broader $40 million family violence initiative and this, in turn, was expanded in February 1991 to a $136 million initiative on violence against women.

We have taken legislative action in Bill C-36 to extend the amount of time a convicted person must serve, from one-third to one-half of their sentence for those offenders in the violent and dangerous offenders category.

We have embarked on the panel on violence against women. These are concrete initiatives. We fund women's groups, community groups and many others. We have increased resources on violence against women.

Certainly we can do much more in areas. The recent budget increased the tax deduction for child care and so on. We are well on our way to helping women. I agree that there is much to be done, but in many areas of our society we will never be finished. We must work as hard as we can with what resources we have and add more resources when we can. We will be well on our way to accomplishing some of the goals we have stated.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, on the matter before us today, equality of women, I would just like to ask the previous speaker if part of the government's equality of women initiatives includes initiatives from the Minister of Labour and the Minister Responsible for the Status of Women.

In Powell River, British Columbia, there are 22 women who have been driven out of their jobs by the Canadian Imperial Bank of Commerce. The bank suddenly decided it no longer wanted to negotiate with them to renew the contract and basically said: "We are large enough and wealthy enough that we do not have to listen to you. You can stay out on the street over Christmas and you can stay out for a year or two years. If we choose, we will simply close this branch and set an example for our other small number of unionized branches".

There needs to be some initiatives in terms of the equality of women taken by this government. A good start would be anti-strike-breaking legislation and anti-scab legislation that protects women who are in a tremendous position of inequality when it comes to 22 people going after a chartered bank.

It is also affirmative action on the part of the Minister of Labour when women find themselves in a tremendous situation of inequality, where the office of the minister takes positive affirmative action and attempts to get both parties back to the bargaining table and to reach a settlement. In the search for equality for men and women, in many cases particularly women, the best guarantee for equality is a job and the best guarantee of equality through a job is through a unionized job.

I am asking the hon. member if he believes that the Minister of Labour and the government could be involved with and play a useful role in bringing these people back to the table as well as all women who find

themselves in this unequal situation by putting some anti-strike-breaking and anti-scab legislation in place.

Mr. Thorkelson: Mr. Speaker, I thank the member for his question on that issue in Powell River. I would note he has brought that up in the House before with the Minister Responsible for the Status of Women in Question Period. She answered at that time that it was a contractual dispute. It was essentially a labour-management dispute. I am sure that her department has carefully looked at that. I would not be surprised if there had not been consultations between her department and the Department of Labour.

I join with the member in deploring the action of the management of that institution. I only hope that the dispute is solved so that these women can return to their jobs, have some opportunity and are able to live their lives with dignity.

On the question of affirmative action, I would hope that we as a government continue in our efforts in that respect. We have done quite a bit in the past and I am sure there is more we can do in the future.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I will be splitting my time with the member for Saskatoon—Clark's Crossing.

I noticed that the previous member spoke with a great deal of praise for the government's actions on violence against women. This country has become increasingly concerned over the plight of women with respect to violence against them over the last number of years. This motion is very appropriate. When we take a detailed look at the government's action in this area, we see that last year the government announced with much fanfare a $137 million program to deal with violence against women. But when we looked at it closely, we found out it was actually going to spend something like $15 million last year and $20 million this year for a total of $35 million spread over two years. The balance of the program spending was going to take place somewhere in the future, when everyone in this country knows very well that the Conservatives will never be the government in that period of time.

• (1520)

At the same time the government announced changes to the Canada Assistance Plan. It limited the payments to the provinces of Alberta, Ontario and British Columbia. What amounts of money were involved in that? Was it $15 million or $20 million? No, it was not.

In the first year the province of Ontario lost $415 million. In the second year, $1.2 billion. In the first year the province of British Columbia lost $200 million. In the second year it lost $900 million. The total losses to those two provinces for two years was $2.7 billion.

On the one hand we have the government announcing a $35 million program with much fanfare to fight violence against women. At the same time we have the federal government taking $2.7 billion away from two provinces.

We have to take a look at the programs funded under the Canada Assistance Plan dealing with violence against women. First, the Canada Assistance Plan is used to fund transition houses or safe homes. That program provides women with first-line protection when they have to leave their homes because of violence. We have the government giving $35 million on the one hand and taking back $2.7 billion, affecting transition houses.

It provides support programs in the form of income assistance for women who are forced because of violence in the family to flee their husbands or partners and take their children with them. What is the government doing? It is offering a nice PR program of $35 million but it is taking away $2.7 billion, affecting basic income assistance programs that support women who had to leave families in which violence has taken place.

Programs of counselling for women who have been traumatized and immobilized because of violence against them assisted these women in recovering their dignity, regaining their self-assurance and getting them back into the labour market. Here we have again the government announcing with much fanfare its glitzy $35 million and cutting $2.7 billion from the very kinds of programs that could assist women.

It cuts out programs for sexual abuse, not only sexual abuse for youngsters but also counselling services for adult survivors of sexual abuse. We have this situation where the government gives a little and takes away 90 times more in programs that directly affect women in violent situations.

It cut out child abuse programs.

The government says it only affects three provinces, but 50 per cent of the children in Canada live there. It reduced programs that involved protection services to children as part of a family structure by $2.7 billion over two years in order to make some PR announcement of a little money spread over a number of years.

Probably the most ludicrous program is the Canada Assistance Plan. It is used to fund child care for those on low incomes or fixed incomes or those working but not earning enough to afford to pay for child care.

The government talks a lot about how it is going to help women in a variety of ways. It is going to have this nice program and look at the causes of violence against women and how it can provide solutions. At the same time it has cut back dramatically on the availability of services such as child care, child protection, sexual abuse programs, counselling for trauma caused by violence, income support programs and transition houses or safe homes, which would assist women in violent situations.

This motion is very much in order because it clearly points out that the government has not only failed to protect, but has failed to promote the fundamental rights of Canadian women. The biggest right a woman should have in this country is a right to personal safety; to not fear for her own personal well-being either within her own family or on the streets.

We also should take a look at some of the other budgetary measures this government introduced that directly impact on the ability of women to protect themselves and their families. There are many, but two are particularly troublesome to me.

One is the cancelling of the Court Challenges Program. Under this program we were going fund people who were disadvantaged, disabled, from minority groups, aboriginals or women, in order to ensure they could go to court to protect their rights under the Charter of Rights and Freedoms. This government has said it is going to cancel that program. It is simply going to make their rights as they exist in law meaningless because they will have no capability of going to court to pursue them. That is the impact on women.

There is another major cut within the co-operative housing program. Co-op housing has not only been a valuable and economical way to provide affordable housing for families, it has also been a way of providing supportive communities, especially to women who have had to flee from family violence or violence of another kind. When they are just getting their lives back together, they need a variety of support services and experiences that can help them regain their equilibrium. Co-op housing has provided an amalgamation of these services. It has provided them with affordable housing so they can afford to live with some dignity. It has also provided them with an environment of supportive people where they are able to develop their self-esteem, get themselves back into the labour market and start making a contribution to the total community as well as to themselves.

• (1530)

I guess I have grown accustomed to this government playing the game of PR with a number of vital issues, but I am deeply troubled when the government takes a PR approach to such fundamental things as the rights of women to safety and protection from violence.

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. There are four minutes left in his questions or comments. The hon. member from North Island—Powell River on a question or comment.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, we are talking about the equality of women and the government's record on this issue. I would like to raise the record of Canada Post as it relates to the equality of women for the consideration of the hon. member.

Canada Post is one of the most regressive and repressive employers in Canada and follows that in partnership with the government. I would point to its privatization of post offices and postal services and termination of employees.

In most cases it is eliminating women who have union jobs that run $13 plus an hour, benefits, and the protection of a union contract. When the privatization of services and postal outlets goes ahead, those women are hired on by the private outlet at minimum wage with no contract, no benefits and no protection.

I wonder how the government justifies its position that it is concerned about the equality of women when it destroys the opportunity of many women to earn a dignified wage and enjoy the protection of a union contract. It places them in jobs with no contract, no protection and no benefits, at $4 to $5 an hour.

I wonder if there is a short comment from my colleague on that matter.

Mr. Karpoff: Mr. Speaker, the question is very appropriate to those of us in Surrey where we have experienced what happens when there is privatization of post offices.

We had a Shoppers Drug Mart that had a postal service in it. Some of the women had worked there for up to 11 years. They were earning $9 an hour. It was not much, but was better than $5 an hour. A new owner took over and disregarded these women who had worked there for up to 11 years. He said they would have to take an across the board cut in wages. Their hours would be controlled so that long-term people would only get part-time work, and friends of the owner would be brought in to work the other hours.

These women organized and went on strike. To teach these women a lesson and make sure other postal outlets did not organize, the drug store company left them out on strike for nine years. It finally closed the entire branch of the drug store in order to ensure that women did not gain the fundamental right of free collective bargaining within the postal service.

That is going on repeatedly across this country.

I would agree with my hon. colleague. If we are really going to protect the rights of women, we have to protect their fundamental right to free collective bargaining and adequate wages.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, it is not hard to stand in this House to support its resolution condemning the government for its failure to protect and promote fundamental rights of Canadian women, especially as reflected in the 1992 budget.

If this government intended to enable women in this country to have the rights and protection they are entitled to, and be able to pursue opportunities of employment they are entitled to, it would develop a plan which would ensure this would happen.

That plan would ensure there was an adequate child care system across this country so that women who are raising their children would have the opportunity to put them in accessible, quality child care over which they would have some control, so they could then explore opportunities in the work place.

In 1988 in this House, the Prime Minister recognized the importance of child care in this regard. He said that one of the most important factors contributing to the persistent and persisting inequality of women in this country is the lack of affordable, flexible, quality child care.

He said later on that same day in August 1988 that by creating an additional 200,000 quality child care spaces, many more mothers will have the opportunity to participate in the labour force. Yet what does this government do in this budget? Does it even make the pretence of saying it is still interested in child care? Does it even begin the process of implementing the national child care strategy in Canada as promised in 1984, so women can take their rightful and full place in the work place?

In this budget, the government finally said what most of us have known for a long time. It has no intention of introducing a national, quality, accessible, affordable child care program. Indeed, the Minister of National Health and Welfare responsible for this program acknowledged in this House: "I have the privilege to be the killer of child care". He is not the builder of child care.

We have a long-term commitment on the part of this government from 1984 to introduce a child care program which everyone, including the government from time to time, recognizes is critical to the enhancement of the rights of women in Canada.

The final death knell from this government regarding child care has received the sort of criticism you would expect from across this country. One child care worker in the city of Vancouver said: "This announcement does not surprise me at all. It frustrates me to no end that the Tories just do not understand what is really happening to children and families in this country."

A single mother with a 4-year old child from Winnipeg said: "I guess it really does not care. If it was concerned about children, it would be doing something to help us."

The director of the Manitoba Child Care Association said: "Now we know exactly where it stands. It chooses not to support working women."

The final death blow to child care is a clear illustration this government does not protect and promote the fundamental rights of Canadian women. The Tory regime has indicated, by not going ahead with child care and putting the last nails in the coffin of child care, it has no interest in protecting and promoting the fundamental rights of women in spite of its long-term rhetoric.

On the matter of pay equity, one would have thought that any government, party or person interested in promoting and protecting the fundamental rights of women would ensure they would be paid the same for their work as men across this country. One would have thought the government would make strenuous efforts to ensure that within its own area of responsibility and power, the Public Service, it would clearly ensure that pay equity for women was a priority, if that government was concerned about protecting and promoting the fundamental rights of Canadian women.

In spite of much rhetoric on the government side, it has indicated in this budget that it refuses to recognize its commitment to pay equity for women in the Public Service. For years and years, women have been underpaid for their work in relation to men, but the government seems to think this is acceptable. It even prepared to introduce legislation, if necessary, to ignore a human rights tribunal decision on this issue if it is not in their favour, if it does not allow them to continue this dreadful, inequitable treatment of women.

• (1540)

No government that was committed to protect and promote the fundamental rights of Canadian women would back off from pay equity for women in the Public Service. It would move forward strenuously to ensure that women are fairly paid. Not this government. This government is prepared to pass legislation to ensure that a human rights tribunal which may decide on the basis of the facts and the evidence that this government is remiss is overruled. No government that was committed to protecting and promoting women's interests would do that.

The last matter I would like to raise with regard to promoting and protecting women's rights and women's interests is with regard to the Court Challenges Program and the budget's implications here.

The government has in this budget decided that the Court Challenges Program would end, without consultation, without previous discussion in this House or with the groups affected. It decided that the Court Challenges Program would end. This Court Challenges Program, as we probably all know, enabled women and disadvantaged groups to take cases to court under the Canadian Charter of Rights and Freedoms, to make sure that the Canadian Charter of Rights and Freedoms in fact did implement equality as it affected women and disadvantaged groups.

This government has decided to scrap this program, to scrap a program which would enable Canada's women a mechanism to ensure that they are indeed treated equally under the Charter of Rights and Freedoms.

Surely any government that cared about equality, any government that cared about the fundamental rights of Canadian women, would ensure that there was a mechanism to implement the equality provisions in the Charter of Rights and Freedoms, and ensure that there was support for those groups which cannot find the resources to pursue their interests. Surely the government would ensure that there were resources available to them to put some meat on the bones of the charter, to make sure that the charter did in fact stand up for Canadian women.

The fact that the government has cancelled the Court Challenges Program is another clear indication of its lack of commitment to promoting and protecting the fundamental rights of Canadian women.

Instead of slashing and burning, instead of wrecking programs that are already in place, instead of ignoring previous commitments, if this government was really concerned with protecting and promoting the rights of women it would not have scrapped the national child care program. It would have made sure that a meaningful, effective national child care program would have been implemented. As the Prime Minister has said: "Without an adequate, accessible national child care program, thousands of Canadian women will be denied the opportunity to participate in the work place".

If this government was concerned at all about protecting and promoting the fundamental rights of Canadian women it would not turn its back on pay equity in the Public Service. It would strenuously push for it. If this government was really concerned about women's inter-

ests it would not have cancelled the Court Challenges Program.

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BUSINESS OF THE HOUSE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): I do apologize but I would just like to designate tomorrow, Wednesday April 1, 1992, as an allotted day.

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SUPPLY

ALLOTTED DAY, S. O. 81—WOMEN'S RIGHTS

The House resumed consideration of the motion of Ms. Clancy (p. 9052).

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I was delighted to hear the debate by the hon. member. As usual, he has been very strong on many issues concerning women, as has been the tradition of the Liberal caucus.

I would like to make a very brief comment. Insofar as the pay equity program is concerned, we have to remind Canadians that they should listen and look and watch and hold this government accountable.

The government must be made to realize that the Charter of Rights and Freedoms guarantees equality for today and not for tomorrow. A real test of the commitment on the part of the government is for the government to develop innovative programs. During these days of fiscal restraint, one approach would be to look at reallocation of resources to ensure that pay equity happens today.

I would like a brief comment from the member if he agrees with that approach.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, of course, I agree. It is a question of allocation of resources, of choices, and it is critical that the government recognizes its obligations under pay equity provisions and makes sure that women are paid fairly within the Public Service.

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I, too, would like to pose a question to the hon. member. It goes in the way of comment. Every responsible politician in Canada must not just support the idea of equality for women, but must work actively to achieve it.

On Thursday, March 12, 1992, on television in Gibsons, B.C., the leader of the Liberal Party of B.C. said that he believed in pay equity for women, but not now. "We cannot afford pay equity for women".

It is unacceptable for the leader of the Liberal Party of B.C. or any other responsible politician to say that our society cannot provide pay equity. What Mr. Wilson is saying is that my three daughters and every other woman in Canada are not entitled to equality with men because it cannot be afforded. Mr. Wilson has said that women must remain in the job ghetto so men can continue to enjoy privilege and advantage, that women must remain in the job ghettos because we cannot afford to provide women with equal opportunity. Why? Because they are women.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I am very pleased to stand today and support the motion of my colleague: That this House condemn the government for its failure to protect and promote the fundamental rights of Canadian women, especially as reflected in the 1992 budget.

I would like to preface my remarks by saying that I do very much understand the predicament of women in Canada. I, myself, was raised, along with my two brothers, by a single mother at a time when women were paid a lot less for doing exactly the same job.

I am pleased to say that in many areas they are at least paid substantially the same money now, but pay equity certainly has not come into full force.

[*Translation*]

I rise today to denounce the harmful consequences of the recent Conservative budget for Canadian women.

During the years of Conservative government, more and more women and children have swelled the ranks of the poor. The connection between parental poverty and child poverty is beyond doubt, and there is no denying that women are over-represented among the poorest segments of society.

Although poverty in any form is unacceptable, the alarming number of single-parent families headed by women who do not have enough to live on is intolerable.

Before he presented his first budget, the Minister of Finance told Canadians to expect a realistic budget.

[*English*]

The finance minister had said before the last budget to expect a realistic budget. The reality is that in this country 2.3 million people receive some kind of social safety help; approximately 1.5 million have no jobs; 3.8 million people, among which we have over 1 million children, do not have the basic necessities, and more than 60 per cent of single mothers, divorced or separated, are poor.

This budget will not help this problem at all. It has not helped to bring up the quality of life for women. In fact, this budget has many measures which will hurt women and children.

[*Translation*]

Millions of Canadian women are penalized in many areas.

• (1550)

The Conservative government has given up its promise to implement a national child care plan. Yes, Mr. Speaker, you heard right, this Conservative government has not kept its promise made eight years ago and has thus eliminated a way for women and children to escape poverty.

It is misleading for the government to have Canadians believe that they had to choose between child care services and programs for children at risk. Why does the government set poor and abused children against those who need safe affordable day care?

Canadians know that the government reduced funding for family allowances by over $3.5 billion since 1986. Its reform measure, the child benefit, will not help fight poverty. This benefit will not be good for single mothers on welfare. The child benefit is not indexed to inflation, so its real value will go down.

The Conservative budget also eliminates the Court Challenges Program, which was set up in 1985 and gave women, minorities and disadvantaged groups financial assistance needed to defend their cases in court, as provided in the Charter of Rights and Freedoms. Without the funds provided under this program, the rights in the charter will remain meaningless principles for disadvantaged groups.

Another blow dealt by this government to women is the calling into question of the spouse's allowance. The purpose of the Spouse's Allowance Program is to help disadvantaged older people under 65 until they are eligible for old age security benefits and the guaranteed income supplement. The government would seriously reconsider the Spouse's Allowance Program if the court extended it to divorced and single people. If the Mulroney government follows through, it will affect the most vulnerable, the poorest people aged 60 to 64, most of whom are women.

Another example of this government's irresponsibility is the downgrading of pay equity. The government announced that it would abolish the Pay Research Bureau, which collects and provides information that helps determine salaries, benefits and working conditions in the public service. It also announced a reduction in back pay for public servants.

In fact, the government does not intend to give any more back pay for the period before November 1, 1990 and will take the necessary action in Parliament to carry out this decision. For some 80,000 public servants, this is a rejection of the principle of pay equity.

Mr. Speaker, not only has this government abandoned its promise for a national child care plan, eliminated the Court Challenges Program, called into question the spouse's allowance and downgraded pay equity, but it has gone so far as to cut funds for social housing. Many single, separated or divorced mothers urgently need social housing. The Mulroney government announced that growth in spending on social housing would be limited to 3 per cent until 1997.

[*English*]

In 1990 this government limited its moneys toward the construction of social housing to $91 million. In 1992–93 it is reducing this amount to $70 million and it will be down to $45 million in 1996. When you speak of social housing, again in large majority it is women and children who are affected.

The Mulroney government has also cut co-op housing and this cut will greatly affect single parents, the handicapped and some of the less affluent Canadians who are

able to live in these co-op housing units with some degree of comfort.

[*Translation*]

In conclusion, Mr. Speaker, this government should simply admit that it has failed in its budget policies, which continue to create more and more obstacles for the advancement of women in Canada. Let me tell you that I share this feeling of disappointment that Canadians have about a government that is so insensitive and immoral towards the least fortunate.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am delighted to be able to stand in this House today to talk on this important opposition motion, which in a sense can be translated as follows: to examine the negative impact of the 1992 budget on women in Canadian society.

I am particularly proud of my party for having brought forward such an important motion on opposition day, one of significant substance and of great importance to Canadians in general. When I sat down to prepare some notes for reference during this particular address, I was reminded of a response that I prepared recently to a letter that had been written to me asking whether I would consider one of the major issues affecting women in Canadian society today. I want to quote from part of that letter. It reads as follows:

> The major issue must be the recognition that women in Canada, particularly poor women of all ages, are not treated fairly. They are being discriminated against. They do not get support, financial or otherwise, which they need in order to have the same opportunities that men have.

That to me is the fundamental issue that we need to discuss a great deal. It seems to me that this year's budget is but one example of such mistreatment and discrimination.

[*Translation*]

Since 1984, as the hon. member pointed out, an increasing number of women and children have joined the ranks of the economically disadvantaged. It is a fact that when poverty strikes parents, it strikes their children as well, and it is also a fact that a disproportionate number of women are among the most economically disadvantaged in our society. I think everyone will agree that an alarming number of single-parent families headed by women lack the basic necessities, which to me is entirely unacceptable and in fact intolerable in a society like ours.

I may remind Canadians that 5 million people in this country live at or below the poverty line. One million of these people are children. More than 1.5 million are unemployed and more than 2 million receive social assistance. The situation is very serious indeed. If we look at mothers who are either divorced, separated or single, we realize that 60 per cent are living in poverty. What kind of future do they have for themselves and their children?

I think everyone will acknowledge that the 1992 budget will do nothing to alleviate poverty in this country or to improve the lives of women. In fact, the budget contains a number of measures that will hurt women and children.

I would like to quote the president of the National Action Committee on the Status of Women, who said that although it was not a direct hit like the 1991 budget, it would hit women much harder on a broader scale.

I would like to mention a number of areas affected by this budget. I remind Canadians that the Conservatives refused to keep their promise to implement a national child care plan. The Conservative Government also scrapped the Court Challenges Program, a decision that affects language minorities, the disabled and, of course, women.

I may also remind Canadians that the decision to review the spouse's allowance is a disgrace.

• (1600)

I also want to mention that wage parity has deteriorated, while the government's rejection of pay equity is completely and totally unacceptable.

Finally, cutbacks in social housing will further undermine the position of the poor. As I said earlier, many of Canada's poor are women.

[*English*]

For fear of being seen as partisan as I analyse this budget, I want to quote some people who have looked at it. The first quote is by Yvonne Peters, head litigation director for the Canadian Disability Rights Council, who responded to the axing of the Court Challenges Program and said:

> I am outraged. It is getting women who are at the bottom of the ladder.

Another woman, Michelle Salardeau-Ramsay, deputy chief commissioner of the Canadian Human Rights Commission, in talking about Ottawa's decision not to provide retroactive pay equity to its lowest paid public servants, said:

> It is the most deceptive and cruel thing coming from government that we have seen in a long time. It is a tremendous blow to the hopes of low income people.

Quoting from the same article, I want to remind my colleagues and fellow Canadians that "when governments tighten their belts it is the poorest and most vulnerable members of society who feel the pinch".

Finally another quote from the same article:

> The war on the deficit has become the cover for rolling back many of the advances women, children, racial minorities, the disabled, the poor and other targets of discrimination have made over the last 20 years and particularly since the passage of the Charter of Rights and Freedoms in 1982.

It is most unfortunate that this is happening. It is perhaps another way of trying to counteract the advances made by the charter. I believe that it in fact is exactly that.

I will go on to quote from another article an important commentary that reads as follows:

> Equality and justice are falling out of fashion.

That is what that particular writer had to say. It goes on to say:

> No society which has oppression functions well. Why would government choose a course which will see it having to put more and more money into violent means of control such as police and prisons instead of putting it toward addressing basic inherent injustices?

That is one of the view of the budget. I want to make sure I enter into the record this particular quotation because I think it is fundamental to Canadians and their sense of justice. It talks about equality and states:

> Equality does not mean treating everybody equally. Equality means compensating for differences so that disadvantaged people can attain true equality. Equality for one means greater equality for all.

I could talk, and I suspect I should have about the child tax credit. People have seen it. It is something that is well packaged. It will not help those who are poorest. In fact it will not help those who are at the bottom of the socio-economic scale.

I could have talked about the cuts to social housing. This will not only be reduced substantially, but co-operative housing programs will be eliminated. I am alarmed as well that other Conservative governments such as the Filmon government in Winnipeg is cutting legal aid to those who need it most.

I have not even addressed issues such as—

[*Translation*]

—in the media today where we read headlines like "How to guarantee women's safety" and "Aboriginal women struggle to obtain concessions". Why should they have to struggle to obtain concessions?

I want to say a few words about education.

[*English*]

I know a poor single mom who is at home and wants to upgrade but would have to sell her home in order to do that. She has nowhere to go and she is in fact condemned to a life of poverty.

I know of another single mom working who has two children. The children became ill recently, one at a time. They did not organize it that way. She had a great deal of difficulty getting assistance so that she could go to work. There are very few programs to support her and many others like her.

Turning to child care payments, you and I know, Mr. Speaker, as do millions of other Canadians, that there is roughly $1 billion estimated owed to parents, most of whom are women. Are courts sensitive to mothers when they have to go and attempt to get what is fair, what is just, what they want for their children? No, not too often; in fact not often enough. We know as well that payments are low and payments are not always paid on time. Not only is the mother sacrificed, but the children are being sacrificed.

I could have addressed the whole question of pensions for women. We all know that it is totally inadequate.

I am coming to the end of my remarks. I have two more points to make with respect to rampant violence and abuse that I will make very quickly. I could have talked about sexual, physical and emotional abuse. There are few supports.

We need more counselling facilities for victims of abuse, but I want to congratulate organizations such as Women's Post-Treatment Centre of Winnipeg and Plurielles for providing this kind of support.

Finally, Mr. Speaker, you and I both know that women earn much less than men. This is totally unacceptable. They are often denied opportunities because they are women. They occupy many low paying jobs with no benefits, no future.

[*Translation*]

Mr. Speaker, we need a new initiative as well as a change of attitude. We must really make a commitment to helping women in our society.

[*English*]

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is a pleasure to take part in this very important debate today. The motion before us is a non-votable motion, but I think it is worth mentioning here so the people back home know exactly what we are debating. The motion reads:

> That this House condemn the government for its failure to protect and promote the fundamental rights of Canadian women, especially as reflected in the 1992 budget.

That gives us a pretty broad area in which to talk about this government's position with regard to women and our responsibilities as a government.

Where I want to pick that up is in a publication that is going out in my own riding in the next couple of days. I call this publication *A Citizen's Guide to the Federal Budget*. We introduced a budget in this House a month or so ago. I have taken the budget and broken it down into what I call *A Citizen's Guide to the Budget* so that people back home will have a sense of what this government is doing for people, particularly families and women.

That document will be arriving in households shortly, probably within the next couple of days. I have used a couple of examples. I think it is important to mention that because these examples were drawn from what might be a reflection of my riding, typical families in my riding or any member's riding, for that matter.

I wanted to indicate clearly in this publication that what the government was doing in regard to the child tax benefit was a net gain for 99 per cent of the families out there, particularly in my riding. The income of a family would have to exceed $70,000 before this program of ours became a negative, before it put it in a negative position with regard to support for the family.

My argument is that very few people in my riding make $70,000 a year. The ones who do and to whom I have spoken have no problem with the new system we have brought in: a child tax benefit which will be less cumbersome for government to control and administer. At the end of the day families in my riding and ridings all across this country will be better off.

I want to point out one example that think is an important one. Today we have heard members from both sides of this House talk about single mothers and the difficulties they have raising families today as a single parent but more particularly as a single mother. In the pamphlet I am sending to my constituents I compare the benefits of Patricia, a fictional person, who is a single working mother with two children and an income of approximately $19,000 a year.

The bottom line as I step through the numbers is a net gain of $615 for that family of three: a mother and two children.

• (1610)

I think the important thing to remember is that these new benefits are non-taxable. When the tax implications of the old system versus the new one are considered, there is no comparison. Therefore that $615 gain could be substantially higher at the end of the tax year.

Again taking a look at the traditional family, the mother and father both working and two children, the combined income is approximately $40,000 per year. At the end of the year after everything is considered, the new system versus the old complex system, as I call it, their net gain would be $163. It is important that the Canadian people understand that.

I do not think the figures as presented in this House always reflect the realities of the budget. The reality of this budget is that we recognized the importance of families and working mothers and have responded to it very favourably.

The other thing I might mention that is important for Canadian people to understand is that for the first time we will be taxing family situations the same. In other words, there will not be an imbalance in the way that we tax a traditional married couple in relation to a common law couple.

Prior to the 1992 budget there was an imbalance. Canadian people were telling us that we did not recognize the importance of the family unit. That was recognized in this budget. It was a very important initiative and one I was happy to support.

There is an area I want to get into in relation to this government that 20 minutes certainly will not cover. It is in relation to women's equality. All budget considerations aside, I want to mention some of the initiatives we have taken.

We realize and it is being realized in some quarters for the first time that there is a lack of concern on the part of all governments in this country, particularly as may be reflected in today's motion, to respond to these women's issues, the equality of women and the basic right to security of the person.

I want to talk about the violence and fear that deprive women in Canada of their ability to achieve equality. When we talk about violence against women we are talking about that violence manifesting itself in horrific ways, everything from physical and sexual assault to psychological and mental abuse. This creates an atmosphere which is almost indescribable in words as to what it does to the family unit and particularly to women.

Let us go through some of the statistics with regard to violence to women in our society. The numbers tell us more than anything else. Statistically we are told that at least one in every ten women is battered by her husband or male partner. We are told that an average of 100 women a year are murdered by their male partners in this country.

Ms. Clancy: That is low.

Mr. Thompson: The member for Halifax is telling me that is low. I do not disagree with her. I am sure that it is very, very low. I am sure those are only the officially reported statistics.

But whether it is 100, 200, 300 or even if it was 50, it would be too many. In the discussions before the Canadian Panel on Violence against Women that is criss-crossing this country, I cannot quote exactly but one person mentioned that if we were speaking of 100 soldiers killed in the line of duty or in battle, there would be an outrage, an investigation or an inquiry as to what happened.

Somehow, this passively goes on in our society. One hundred women are murdered by their male partners, and that figure we all acknowledge is probably on the low side. There were 27,000 sexual assaults reported by the police in 1990. One of the most startling facts is that this figure has actually doubled since 1984.

It says that almost one in two women with disabilities had been sexually abused as a child, that one in four had been sexually assaulted as an adult. It tells us that 80 per cent of aboriginal women surveyed in Ontario have experienced violence. That is 80 per cent. Female victims of elder abuse outnumber male victims two to one.

The figures tell it all. It is horrific. They tell us that innocent victims suffer but it is very important to remember that the toll they pay does not end when the physical abuse stops. When the physical abuse stops, they continue to pay in countless incidents of alcohol and drug abuse, delinquency, prostitution, mental health problems, violent crime and suicide.

The figures tell us that 80 per cent of women in prison under federal jurisdiction today have had a history of physical or sexual abuse.

Putting an end to this violence is certainly one of the most pressing challenges in this country today because the problem has to be recognized before we do something about it.

These old attitudes and stereotypes have to be changed. What we are finding in this country today is that our old traditional abuse combined with a societal tolerance for violence has allowed this type of thing to continue. And continue it has.

One of the things that this government has focused on is the economic equality that has perpetuated itself in this country for years. What it does not do is allow women the freedom to leave abusive situations when they should. Most of us in our own constituencies have all kinds of evidence of that, where women tolerate an abusive situation because there is no other recourse.

One of the things I want to point out is that we are recognizing that very real problem.

One of the things I am very proud of in my home town of St. Stephen was the recognition of that problem many years ago. In fact 10 years ago we set up Fundy Transition House, which is still in existence. It was set up back in the early 1980s in recognition of that very problem where

many women cannot leave that abusive situation. They do not have the financial resources to do so.

Fundy Transition House was founded 10 years ago to deal with that very real problem. I want to go through some of the numbers. We must remember that Fundy Transition House is dealing with a community of give or take 20,000 people when all the citizens of Charlotte county are considered.

Since its founding, 1,600 people have gone through its doors. The transition house very much provides a shelter, a clean and safe environment for women and children.

• (1620)

The clients who come in are from all age groups. There are 16-year old girls who have left their homes because of sexual abuse, single mothers with young babies, and women who need emergency housing.

I want to pay tribute to a couple of the individuals that were really the forerunners. I wish I could remember all the names. I know one of them was a man. He is still involved with that organization, Fundy Transition House. The amazing thing is he was one of the first men to recognize that problem 10 years ago. I can honestly ask that question in this House as to how many of us had recognized that problem 10 years ago. There would not be too many of us who could answer that we had.

His name is Al Corbett. He is still involved with Fundy Transition House. The woman who now is the chairman of the transition house, Jackie Matthews, brought to my attention a few weeks ago that he is still on the board.

Like many other members of Parliament in their own ridings, I have visited the transition house in St. Stephen to take a look at how it operates and just to take a look at the physical structure itself. I was very impressed. It is doing a very good job.

We have the same thing happening in the northern part of my riding. This is a part of the response by our government to that problem. It is a program that is administered by Canada Mortgage and Housing Corporation. It funds a program called Project Haven. What it has done over the last number of years is set up 450 shelters for battered women across this country and 94 of these shelters have been for aboriginal women on reserves.

Those programs are working very well. They are carried out largely by volunteers in their own communities. The haven that we opened last year in Woodstock is a glowing example of how successful that program has been.

There are many more programs. Again they have touched just about every corner of this country. The Department of Indian and Northern Affairs has its own special programs, along with Health and Welfare Canada in its medical services branch. The Department of the Solicitor General has developed over 70 programs from coast to coast to deal with this problem. The Department of Justice is playing a very key role in addressing violence against women in amendments to the Criminal Code and the Canada Evidence Act.

We have done a great deal in recognizing the problem and in dealing with the problem, but have we done enough? I would say that we probably have not done enough. Can we do more? Absolutely, we can do more.

One of the important things that we are doing right now at this time is recognizing that the problem is there. We have set up our task force as I have mentioned to criss-cross this country to get the kind of evidence and public awareness generated in this country to do more in the future.

The stories that come out of these hearings that we have been holding coast to coast are just incredible. It is just so hard to believe that these types of things happen to women in a civilized society, Canada being one of the most civilized of all societies. These things are happening and they are being exposed, sometimes for the first time.

It is recognition of a problem that is long overdue. It is going to allow the government to respond in ways that it has not been able to in the past.

I look forward to a continuation of this debate. I look forward also to questions and responses from the other side of the House.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, it is a little surprising that some of the things the member identifies would be surprising to him. They are things that are well-known across this country and are certainly well-known to women, both the experience of poverty and the experience of abuse. Governments have not taken these matters seriously.

While it is good that he raised these issues, it is a little disconcerting that he would be surprised by them.

I would like to ask him a couple of questions. He talked about circulating to his constituents some indications of the budget and what that budget does. I wonder what he is saying to his constituents who earn less than $3,750 and who will not get an extra cent out of the government's child benefits program. Did he indicate to them that that is acceptable, that the poorest of the poor will not get one extra cent out of this program?

Did he indicate to his constituents that health and welfare officials admitted that children and families whose income is derived from social assistance, welfare or unemployment insurance will be no better off under this new system than they were under the old system? The families in the worst financial situations will receive nothing in these changes.

The member will have voted along with me in favour of a resolution put forward by my former leader which called upon the House to eliminate child poverty by the year 2000. Does he think that these measures will have any impact at all on eliminating child poverty by the year 2000? In fact, is there anything here which is heading us in the right direction?

May I ask just one last question? Does the member not realize that the extra violence women are facing, children are facing and families are facing, the extra insecurity that families are living under, is the result of the strapped financial situations?

As we all know, more Canadian children live in poverty than at the beginning of this government's term. Does the member not understand that part of the reason for having to address the concerns of violence, more halfway houses and so on, is because of the poverty that this government has created over its last eight years?

Mr. Thompson: Mr. Speaker, it is a wide-ranging question and observation on the part of the member. I will attempt to do justice to the question.

The best thing that we can do as a country is to develop a strong and healthy economy. That is what will pull people up. We can have a wide range of programs but the thing that will do it is a strong and vibrant economy. That is the difficulty I have at this particular point in the history of this country. We have 1.5 million unemployed in this country. The figure has not yet exceeded the last recession that we went through in 1981–82 but we cannot take too much comfort from that, can we.

The fact is we have too much unemployment and it has a huge social cost attached to it. There is a relationship between violence in the home and the hardship a particular family is facing on a day to day basis in terms of unemployment and lack of opportunity and the inability of a family to pay its bills or meet its obligations. Those are huge social costs at the end of the day.

Again I go back to the budget. The budget is not the be-all or the end-all of our problems. It is a pretty good start. It recognizes for the first time the family unit. It recognizes children as it has not in the past. That is only one component in the budget. Members have to remember that all federal programs have matching or other support programs within the provinces which help those families on the lower income scales.

• (1630)

I do not pretend that our budget did it all or will do it all, or will it ever do it all, but I think it is a good start. In conjunction with existing provincial programs I think they are working better now than they ever did in the past because we need them now.

Again, reflecting on that huge unemployment number out there, we hope it gets better, and we hope that the Canadian economy will grow as they predict it will. Every major think tank in Canada and internationally, including the IMF, predicts that Canada's economy will grow faster than any other economy in the western world this year. We hope they are correct in that, not for partisan political reasons but because that is the best we can hope for the citizens of Canada, a strong and healthy economy.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, the member spoke so glowingly and with such feeling about violence against women that I expected him to end his speech by announcing that his government had decided to put some money in the budget for it. He did

not talk about any new provisions to deal with the problem and I suspect it is because there are none.

In fact, if the member's government had not so dramatically cut funding to women's organizations that advocate and bring to public attention these issues a couple of years ago, and had not continued to cut funding to those organizations, he might not be so surprised by what he is now hearing. It has been well known to women's organizations but unfortunately they have been robbed of the means to convey that information to public policymakers like the hon. member.

Since the debate today is on the budget and on women, I have a question I want to ask.

Can he and his government tell me and tell Canadian women how much of the spending in this budget goes to benefit women—and I don't mean child care and I don't mean pay equity—but over all, in all the hundreds of millions and billions of dollars this budget spends? How many of those dollars benefit women and how many benefit men?

Mr. Thompson: Mr. Speaker, I want to step through some statistics. We are always hesitant to use too many statistics when we are speaking because it gets confusing for the average viewer who is trying to sort this out whether we are doing enough or not doing enough. But I want to go through a couple of statistics, if I may.

It goes back to 1986 when the government launched a $23 million child sexual abuse initiative, followed up in 1988 by a broader $40 million family violence initiative. This time last year we expanded that to a $136 million initiative.

I do not want to play at the percentages, but when you are moving from $23 million to $136 million, that is somewhere close to a 700 per cent increase. I think it is important that we get that on the record.

The other thing that I want to get on the record is that the Department of Secretary of State has funded close to 400 individual projects for women as well as community projects. They have helped support non-profit organizations and sponsored many other initiatives for women. Those all have a dollar figure attached to them, and as I said, I am not going to step through all of those. But I think we have committed as much as reasonably possible, given the times.

I wish that the Canadian economy was growing the way it should be and that we did not have a mountain of debt over us. Perhaps if we did not, we could resolve this because a lot of these problems will take dollars to resolve them, no question about it. I do not think anyone would argue that. I just wish that our economy was so healthy that we could put the financial resources into those problem areas that I would like to see put into them. Given the capability of our economy and the Canadian people, I think we will find a very healthy and prosperous economy 12 months from now. We will continue to upgrade our programs and to put the kind of resources into them that we all want to see.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, my colleagues and I in the Liberal Party, as you have heard today, are extremely concerned about the government's budget and its failure to promote and protect the rights of Canadian women.

We know that women are particularly vulnerable to the draconian economic policies of this government. We know that most women have much lower incomes than men. We know that women make up a very large segment of the people living in poverty in this country. We know, for example, that more than 60 per cent of single mothers in Canada live in poverty. That is a shocking and shameful statistic. That kind of figure is a real embarrassment for a country which prides itself on its compassion and commitment to equality.

Knowing the situation, what kind of support did this government offer to Canadian women in its February budget? It offered absolutely nothing to help unemployed women get back in the work force. It abandoned its commitment to day care. It reneged on its commitment to pay equity for federal public servants. It cancelled the Court Challenges Program. It abandoned its commitment to the universal family allowance.

This budget has confirmed what many women have long suspected, that this government's commitment to equality for women is nothing more than empty symbol-

ism and meaningless rhetoric. Actions speak louder than words and it is on the government's actions that it will be judged by the women of Canada.

I want to concentrate my comments on one of these measures that I find particularly disturbing, the cancellation of the Court Challenges Program. The cancellation of this program is an outrage that shows a callous disregard for the rights of Canadian women. It was a unique human rights program that helped give disadvantaged Canadians access to their constitutional rights under the Charter of Rights and Freedoms.

The program has helped fund court cases for groups wanting to test the equality rights section of the charter. This is important because it establishes legal precedents that help prevent discrimination. The program has made the crucial difference between access to charter rights and no access. The program has benefited all Canadians and particularly disadvantaged groups in societies such as women. Groups, such as the Women's Legal and Education Action Fund, have used the programs to bring a number of important women's rights cases to the courts.

For example, on the very same day that the program was cancelled, the Supreme Court of Canada came down with the first high court decision in the world that linked hard core pornography with violence against women and decided that this should be a factor to consider in Canada's obscenity law.

The Women's Legal and Education Action Fund intervention in this case was funded by the Court Challenges Program. This intervention was crucial to the court's recognition of the harmful effects of pornography on women. In many cases, groups like this could not afford on their own the legal costs of initiating a court challenge. The total cost of this program is about $2 million a year or about seven cents per Canadian.

According to the Canadian Bar Association, the program ensures that equality rights are clearly defined in the Constitution and enforced for all Canadians. Constitutional rights which are neither defined nor enforced are hollow and of little value. The bar association said it was a sad irony that the program was terminated the day before the release of the special joint committee on a renewed Canada which addressed the issues of inclusiveness and constitutional equality rights.

I believe that the cancellation of this program is a very negative signal to be sending out at this time in our country's history. Just as we are approaching the conclusion of important and very difficult national discussions on our constitutional rights, the government is showing that its commitment to those rights is questionable.

Women's groups were already uneasy and concerned that they did not have an adequate voice in the process of constitutional reform. They are even more concerned now.

• (1640)

Even the distinguished former Supreme Court Justice Bertha Wilson has called for the program's reinstatement. She has written to the Minister of Justice to express her dismay and distress over the cancellation of the program. I want to quote from her letter:

> I fully appreciate, of course, that all governments are currently in a period of financial restraint but I must say that I have difficulty with a policy that places the burden of that restraint on those who can least afford it.

The government has suggested this move was made because the program has served its purpose. Enough jurisprudence has been established. Legal experts have contradicted that claim. Many significant cases have yet to be heard and many of these will not be heard without funding from the Court Challenges Program.

The Canadian Bar Association, a retired Supreme Court justice, the Canadian Human Rights Commission, and countless other human rights groups across this country seem to disagree. I am not aware of any credible legal expert who does support the government's position.

Only two years ago, the Standing Committee on Human Rights and the Status of Disabled Persons agreed unanimously that this program should be renewed. In a response tabled by the Minister of Multiculturalism the government said:

> There are still significant areas of language and equality rights which require clarification.

The government agreed to renew the program for a five-year period. What has happened since that time to change the government's position on this program?

The Minister of Justice has suggested that the government itself could fulfil the function of the program by supporting litigation on human rights cases. I have asked the government how exactly this would work, but I have received no response. It is anyone's guess. It would clearly be a conflict of interest for the justice department to challenge and defend the law at the same time. That is

one of the main reasons why this program was established as an autonomous agency.

The Standing Committee on Human Rights and the Status of Disabled Persons, of which I am a member, has called the Minister of Justice and the Minister of Multiculturalism and Citizenship to appear as witnesses before our committee to answer questions concerning the cancellation of the Court Challenges Program.

The ministers have replied that they are unavailable. We have invited them to appear at any time at their convenience. They have sent their deputy ministers instead. I believe this shows a lack of respect for this parliamentary committee. I certainly can understand why they are reluctant to answer questions on this issue, because they would have to defend the indefensible. No doubt they are aware that our committee strongly supports this program, even Conservative Party members of the committee.

The Minister of Justice, who has a reputation as a supporter of women's rights, must find her position extremely uncomfortable. But as ministers of the Crown, it is their responsibility to explain and defend this decision of the government.

Members of my party have been asking ourselves the question: Why? Why has the government taken this callous step against the human rights for women and other disadvantaged groups? What is the real reason that this program has been cancelled? Let me say that no one believes it is really because of deficit reduction, or because there is enough jurisprudence. No one is buying these explanations.

I find it an extremely disturbing coincidence that the leader of the Reform Party had called for elimination of this program. It was very apparent to everyone in this House that the government's budget was carefully designed to win back Conservative supporters lost to the Reform Party.

It certainly gives an indication of the Reform Party's lack of commitment to human rights. But even more disturbing it raises the question: Who is in charge here? Who is running this government? Is it the Prime Minister or is it Preston Manning?

More and more it seems like it does not really make much difference. The two parties are not all that different anyway, the main difference being that the Reform Party is a more extreme version of Mulroneyism.

I referred earlier to the economic disparities between men and women in this country. When we see the shocking figures we realize that we have a long way to go before true equality for women is achieved. True equality includes economic equality. It means equality in everyday life, equality in practice, not just in theory.

We see very clearly the need for initiatives like the Court Challenges Program.

We constantly hear this government boasting about its record on women's issues. That is not good enough. Actions speak louder than words.

We in the Liberal Party condemn this government for its budget and its shocking lack of commitment for equality for women in Canada.

Mr. Joe Fontana (London East): Mr. Speaker, I am pleased to stand in this House today in support of the opposition motion of my colleague, the member for Halifax, which reads:

> That this House condemn the government for its failure to protect and promote the fundamental rights of Canadian women, especially as reflected in the 1992 budget.

Before I deal with that issue specifically, let me just say something with respect to the budget. As we all know, really the budget was a do-nothing budget. It was a one-day wonder that neither captured the attention of the Canadian public nor met the needs of the Canadian public.

In fact 1.5 million Canadians are still unemployed, most of whom are women. It did absolutely nothing for the people on social assistance, most of whom are women. It did absolutely nothing for small businesses which are finding themselves in very difficult circumstances and which are also headed by women. The budget in actual fact did very little to solve the economic ills of this country.

I want to focus my comments in the time that I have this evening on discussing how the budget and its attention to housing will have and has a profound effect on women.

The impact of the federal budget on women is not a direct blow aimed specifically at this segment of the population. It is an insidious one that affects numerous programs that many Canadian women depend on.

Federal budget cuts to housing programs are a perfect example of this. Many Canadians who depend on federal transfer payments to the provinces for social housing programs are single parent families, the vast majority of whom are headed by women.

These cuts also affect single seniors, many of whom are women struggling for self-sufficiency and independence as they age.

In the last budget this government cut spending for social housing. These cuts will result in more than a 51 per cent reduction in the development of new units in the next three years.

Currently only 6 per cent of Canadians receive assistance through social housing budgets. But there are still 15 per cent of Canadians, over one million people, in need of adequate and affordable shelter.

These cuts will mean that fewer Canadians will receive assistance through the Rent Supplement Program or the Non-Profit Housing Program. Fewer natives will receive assistance through the Urban Native Program or Rural and Native Housing Program. All these programs help women throughout Canada.

Women who live in the have not provinces are even more dependent on federal transfer payments because provincial inputs were minuscule to begin with and they decline as federal inputs decline.

A study conducted by CMHC in the 1980s concluded that there have been few improvements in finding affordable housing for single parent families led by women. The study said:

> Low economic status, discrimination in the job market and the responsibilities of child rearing as primarily female problems continue to affect affordable, adequate housing for these Canadian families.

Single parent families headed by women continue to face discrimination when it comes to finding affordable shelter. This problem is compounded by the drop in income this group is continually subject to.

According to the most recent Statistics Canada figures, families in which a woman is the sole parent experienced a drop in average income down to $22,000 a year. Six out of ten single parent families headed by women live in poverty, up from a year ago when five out of ten lived in poverty.

These statistics are a testament to the needs of these women and their children. These are the Canadians on waiting lists for non-profit housing, for rent supplement programs or for co-operative housing units which this government killed in the 1992 budget. Co-op housing is not a viable option for women and others because this program has been gutted by this government.

CMHC has estimated that the recent budget cuts will translate into 7,650 fewer new units of social housing in Canada this year alone. These budget cuts will mean that the vast majority of these single parent families will continue to live in poverty.

There was one CMHC housing program which had 60 per cent of all of its projects with targeting to single parent families. The Co-Operative Housing Program offered stability of tenure and guaranteed affordability. It provided tenants with the opportunity to live in a community of mixed incomes. It did not offer public housing which is essentially ghetto housing.

• (1650)

The Co-Operative Housing Program does not just provide shelter to these women. It provides strong community support. It is a cost efficient program with numerous benefits. It was eliminated in this government's recent budget, as I mentioned before.

Canada's first Co-Operative Housing Program was introduced in 1973 under a Liberal government. In 1986 this government was so impressed with the success of the program that it promised to produce 5,000 units of co-op housing a year, but this goal was never achieved. Instead, under this government the number of co-op units constructed has declined and funding for the program has been in jeopardy for the last two years.

Funding for the 1992 program was no different. After extensive lobbying by housing groups and Liberal MPs, the Minister of Public Works announced on December 15, 1991 that funding for the co-op housing program would be renewed with a budget of $6.1 million.

As recently as February 19, less than a week before the budget was introduced in the House of Commons, the same minister confirmed in writing that the co-op housing budget was secure. Based on his assurances, co-op groups across the country proceeded with the development of co-operative housing proposals. In an attempt to justify this broken promise the government is claiming that the co-op housing program is not targeted to those in need of affordable housing.

On March 11, 1992 the Minister of Finance criticized the co-op housing program during Question Period when he said:

> How is it that it is well targeted when 50 per cent of those who occupy these units are not in effect qualified under the provisions of social housing?

The minister is revealing his ignorance of the co-op housing program. He is correct when he states that 50 per cent of those who occupy co-op housing units are not qualified for social housing. What he failed to acknowledge is that this same 50 per cent of occupants really pays market rent for their co-ops. These units are not subsidized by the government. It is the other 50 per cent that is targeted by the funding.

This statement by the Minister of Finance also contradicts his own colleague, the minister responsible for housing who said in his December press release that the co-op program was targeted. Again I quote:

> The revised program will make more effective use of scarce tax dollars, ensuring federal subsidies are fully directed toward a mix of low and moderate income families.

These statements show that the government praised the co-op housing program a few months ago, and now the Minister of Finance is making excuses for eliminating a successful and cost effective program.

It appears that this government is willing to alter its conclusions of a program in order to justify its decisions.

In his March 11 comments the Minister of Finance also stated that the government had done enough to stimulate housing through its introduction to the use of RRSPs for down payments on homes and by allowing 5 per cent down payments for first-time home buyers.

While I applaud the government for introducing these two programs that I personally promoted for a year, along with my party, I note that these programs help those Canadians who have the savings to purchase a home.

Canadians who cannot afford to purchase homes have access to secure tenure if they live in a co-op housing unit. This program meets the needs of a different segment of Canadians: those who want to live in secure accommodations but cannot buy their own homes.

The $6.1 million savings that the government will obtain by cutting the co-op housing program may appear to be well worth while, but the consequences of the cuts is the elimination of 4,000 construction jobs and manufacturing jobs in 1992. In these tough economic times, adding to welfare and unemployment expenditures will do nothing to reduce the deficit.

The termination of the co-op housing program is really an abdication by this government of its responsibilities to provide adequate and affordable shelter to Canadians in a healthy community environment. The program is cost efficient and offers affordable housing and mixed income communities to low income earners, seniors, single parents, natives and the disabled, most of whom are women. Many of these groups would be unable to find adequate shelter in the private marketplace.

There are 164,000 Canadians who are on a waiting list for co-op housing units. The private market is not serving all these Canadians. This government must keep its promise to housing groups and provide $6.1 million for new co-op housing commitments to help those women and children.

Shelter is one of the basic needs of all humans and the private sector has failed a large group of poor Canadians.

Social housing and co-operative housing were developed to meet the special needs of various groups: single parent mothers and their children, elderly women living alone, native women and disabled women. All are looking to break the cycle of poverty.

Stability of tenure and adequate shelter are necessary to meet these goals. This is why the co-op housing program and social housing program are essential to many Canadians, particularly women and children. The recent budget cuts to these programs will seriously

curtail the development of much needed housing for those Canadians most in need.

That is why we condemn the actions of this government for its lack of support in the budget for housing programs to especially help women and their children.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to congratulate my colleague from London East.

As you may know, Mr. Speaker, he was in the forefront when the national Liberal task force on housing worked on this issue about two years ago.

I remember this member saying that social housing ought to be the cornerstone of Canada's social policy. I agree. He indicated the tremendous benefits that this program would offer Canadians, particularly women and the poor. In fact, without affordable housing, we are condemning a family to poverty.

With such a good program as co-op housing, I would like to ask the member why he thinks this government deliberately killed this program. Is it because it was a Liberal legacy or just that this government does not care about women and children?

Mr. Fontana: Mr. Speaker, I thank my colleague for that question and those kind remarks.

I think it is a bit of both. The co-op housing program was a very successful program, as acknowledged by this government because it has been committed to this program for the last five years. While it never delivered the number of units that it promised, the fact remains that there is a wealth of support from the government members for the co-op housing program.

There is no doubt that a number of government backbenchers tried to portray co-op housing as a program that was not well targeted, that it in fact allowed people with higher incomes to live in co-op housing and take advantage of certain subsidies. The fact remains that co-op housing is not only a form of social housing, it is a kind of community living.

To be able to say that the poor, especially women and children, should be relegated to public housing projects where 100 per cent of the people are targeted and receiving subsidies is to not deal with the facts that a mixed income community with positive social reinforcements would be beneficial to women and to their children.

I still believe that the minister of state for housing is very supportive of co-op housing. We believe and hope that women and men, of course, those who believe in co-op housing, will in fact pressure this government to restore the funding.

Co-op housing has existed in the world for a great many decades. In fact, it is a form of housing tenure, and it is something of which we should not lose sight. The whole concept and philosophy of co-operative living is something that we should encourage and not reject by cutting the budget.

My colleague spoke about our task force. We have put forward our support for the co-op housing program. We urge the government to restore the funding. I believe it is committed to helping people who require housing. It seems to have this convoluted perception, unfortunately, that it has no responsibility, that the private marketplace and the provincial governments should perhaps look after social housing.

That is the tragedy of this government's action with respect to the budget cuts on housing.

Mr. Garth Turner (Halton—Peel): Mr. Speaker, it is a pleasure to speak on this motion today.

I think it is useful at this point, after a few hours of talking about it, that we just read the motion again.

That is:

> That this House condemns the government for its failure to protect and promote the fundamental rights of Canadian women, especially as reflected in the 1992 budget.

• (1700)

I certainly commend the hon. member for Halifax for putting forward a motion which I am sure in her view is a correct and constructive one. She has spoken at length and with passion and sincerity about the rights of women in Canadian society. I would say that the spirit behind this motion is probably a laudable one.

The hon. member has heard me praise her I am sure and will remember that as well. The spirit behind the motion I think is a very laudable one and the member is to be congratulated. To further the cause of women in Canadian society is of course what we ought to be doing and devoting a lot of time and attention to.

Unfortunately, the hon. member has done two things wrong in her motion. First, I think she has picked the wrong government and second, I think she has picked the wrong target, namely the 1992 budget.

I would like to speak for a couple of minutes about some of the elements of the budget, some of the things that it was trying to accomplish and some of the ways that the budget is trying to address some of the concerns that prompted the hon. member in all her sincerity and good intentions to put forward a motion which unfortunately misses the mark.

To start with, it is important to remember that this budget cuts taxes, in fact $1.2 billion will be the reduction in 1992. Cutting taxes helps reduce or remove partially some of the burden that is placed on Canadian families and that is going to have the net benefit of putting more money into household budgets and helping. A tax cut is better than a tax increase. We have had years of tax increases for many reasonable reasons.

Mr. Speaker wishes me to conclude? I just started, sir. Will I have an opportunity to complete my remarks later?

Mr. Speaker: I wish to say to the hon. member that I apologize for interrupting the hon. member. We have had a message from the Senate and we are obligated to deal with that. The hon. member will I hope be able to continue with his remarks afterward. Again I do apologize.

* * *

MESSAGE FROM THE SENATE

Mr. 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 the following bills: Bill C-65, an act for granting to Her Majesty certain sums of money for the administration of the Government of Canada for the fiscal year ending March 31, 1992 and Bill C-66, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending 31st March 1993.

Also, a message has been received from the Senate informing this House that it has passed, without amendment, Bill C-32, an act to amend the Canada Assistance Plan.

* * *

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received which is as follows:

Rideau Hall,
Ottawa

March 31, 1992

Mr. Speaker:

I have the honour to inform you that the Hon. Beverley McLachlin, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, will proceed to the Senate chamber today, the 31st day of March, 1992 at 5 p.m. for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General.

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (1720)

And being returned:

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that when the House went up to the Senate chamber the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-64, an act to amend the Northwest Territories Act—Chapter No. 6.

Bill C-32, an act to amend the Canada Assistance Plan—Chapter No. 9.

Bill C-65, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending 31st March, 1992—Chapter No. 7.

Bill C-66, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending 31st March, 1993—Chapter No. 8.

SUPPLY

ALLOTTED DAY, S. O. 81—WOMEN'S RIGHTS

The House resumed consideration of the motion of Ms. Clancy (p. 9052).

Mr. Garth Turner (Halton—Peel): Mr. Speaker, addressing the motion of the hon. member for Halifax that this House condemn the government for its failure to protect and promote the fundamental rights of Canadian women, particularly as expressed in the 1992 budget, I would like to continue my remarks.

I had just mentioned the personal tax cut of $1.2 billion which comes into effect next year as being a significant benefit to a lot of Canadian households and therefore to a number of Canadian women.

The second point I would like to stress in terms of this budget is the child benefit plan. I know a number of members opposite have railed at this particular change, particularly because they feel that it may spell the end to universality of social programs.

Some of us do not think that is such a bad thing. The reason is that in a world of limited governmental resources, it is important that we try to target those resources to the people who need them and this child tax benefit plan change is an attempt to do that.

It is important for Canadian women and Canadian families not to lose sight of the fact that this will provide benefits for children up to 18 years of age. It is guaranteed to come every month and it is tax-free. It makes a lot of sense. We will be sending up to $144 per child to families in the form almost of a guaranteed monthly income.

We are getting off this crazy path that we were on before where we blanketed society with universal cheques and then we took the time to tax it all back, but only from certain individuals.

It makes more sense to identify those people in our society who need these resources than to target those resources to those people and not hassle them by trying to tax it back. It makes a lot of sense.

Let us not forget as well that in this particular budget, tax breaks are being increased for child care. An extra $1,000 a year in terms of a child care expense deduction is being given to Canadian families. So combined with the child benefit plan and combined with the cut in the number of taxes or the amount of taxation that that particular family pays, that is a pretty powerful three-pronged attack on some of the problems that are faced by a number of Canadian families these days.

Beyond that of course the budget brought in the home buyers plan. The ability now of a married couple to utilize up to $40,000 in terms of RRSPs for a down payment is a significant benefit to a lot of people who are trying to get into the housing market. It certainly helps affordability and for first-time home buyers this is a very important incentive for them to get out into the marketplace.

Combined with other things that are very important here, the 5 per cent down payment change which the government recently made allows that 95 per cent of the property can be mortgaged. Again, that helps first-time buyers. It helps young struggling families get into the real estate market, get into a house. It helps them to start building equity for the future, looking after stabilizing their housing costs and providing a stable environment in which to raise children. It just makes a lot of sense to help young couples get into housing.

The third element of that is today's mortgage rates. They made a little blip up there a week and a half ago but they are back down now essentially to levels about the lowest they have been in 20 years.

When those three things are considered together, using RRSP funds, 5 per cent down payment and low mortgage rates today, I think we are doing a lot to try and increase the affordability of housing for these young families.

The first thrust of the budget was to try to put more money into the hands of Canadian families, particularly those who need it. The second thrust of the budget was to help those families get into the real estate market, help them get into a house so they can build equity for the future.

The budget, of course, went beyond that in terms of measures to address concerns of families and middle class Canadians. For example, we have more tax fairness being brought into the system right now.

It used to be the case that common law couples had significant tax advantages over traditional married couples. A lot of us thought that was wrong. The budget ends those tax advantages that were enjoyed by common law couples and we applaud that.

As an aside, there are those of us who would like the government to go further. It is still the situation in this country now that if there are two families, family A and family B and both have an income of let us say $50,000 and family A has one income earner and family B has two income earners, the way the tax system is structured now family B with the same amount of income and with two wage earners instead of one is taxed less heavily than family A. A number of us think that is wrong. We would like to see the government change that at some point down the road.

Other measures in the budget that Canadian women would applaud is a $2.2 billion reduction in the defence budget. I have certainly heard a lot of Canadian women say they would rather see the government's limited precious resources spent on improving the social climate, the social environment for Canadian families rather than maintaining troops in Europe.

The government's decision to now bring those troops back and to cut defence spending is one that is going to be applauded by a lot of Canadian women.

In fact, government spending over all is going to be significantly cut, a $7 billion reduction over the next five years. Why is that important to Canadian women? It is important because we are maintaining our ability to fund our own social programs. That is the most important thing. If the government over-spends it puts at risk its ability to fund those things we really believe in and I know the hon. member for Halifax believes in and why she put this motion forward.

Reducing the size and influence of government is most important. The budget addresses this one head on. Forty-six boards, agencies and commissions of the federal government are going to be axed or merged together in what is a real common sense move.

All government departments are going to have their budgets cut *de facto* by 3 per cent across the board. They are just going to have to do better. They are going to have to be more efficient; they are going to have to deliver their services will less redundancy.

Grants and subsidies are being cut in this budget by another $370 million. Even the Prime Minister and members of cabinet are taking a cut in pay in this budget. Therefore, the size and influence of government itself is coming down.

As well, the budget attempts to help the economy, to help small business to create jobs. The tax rate for manufacturers and processors is being cut by 1 per cent from 23 to 22 per cent and then further by another 1 per cent next year. Equipment write-off can be accelerated by 5 per cent.

Why does that matter to Canadian women? Because small businesses create jobs and a lot of those jobs go to Canadian women. It is important to Canadian women to have a sound economy and a strong, vibrant small business sector.

Back to the motion. The hon. member for Halifax says she wants to promote, protect and expand fundamental rights for women. Let me just run through how some of the things in the budget address those fundamental rights of women.

The budget attempts to stabilize the economy to ensure that we have secure funding for social programs. That is a fundamental right for a social safety net which we are promoting in this budget for Canadian women.

• (1730)

The budget attempts to help create jobs and helps small businesses through a tax cut. That helps Canadian women by enhancing their fundamental right to secure employment, to jobs. Canadian women want to work. They want jobs just as Canadian men do and the budget helps them in that regard.

The budget reduces people's tax burdens. That increases and enhances the fundamental rights of women to have secure income, to have a reasonable amount of their own wages in their own pockets to spend for their families, for their children.

This budget helps people purchase houses. That is important. Women, the same as men, want secure accommodation. They want access to the housing market and they want to build equity for the future.

This budget targets public resources to effective child care. That enhances women's fundamental rights to assistance for those people who need it. That is very important.

This budget reduces the size of government. That is important to Canadian women. Canadian women want their rights not to be overburdened by enhanced bureaucracy. The government does that.

These are the fundamental rights for women. The right to secure social programs guaranteed by the budget's austerity; by the budget's responsibility; by the budget's adherence to ethical financial principles. It just enhances our ability to fund our social programs.

This budget enhances women's right to work. The budget enhances women's right to fair taxation. The budget enhances women's right to decent accommodation, to access to the housing market. The budget enhances women's right to assistance for those who need it. The budget also enhances the right of all of us, men and women equally, not to be overburdened by government.

The budget realizes that social problems cannot be solved by throwing money at them, especially money that we do not have, that has to be borrowed and then has to be repaid through higher taxes in the future.

It is not in women's best interests to have high tax and high spending. Canadian women are no different from Canadian men in that regard. We all want taxes to be lower to have more money in our own pockets and more money for our families.

Let me conclude by saying this final point. I am sure there are a number of Canadian women who have been watching this debate and who have found it offensive.

Members of the opposition would have us believe through their speeches that all Canadian women are poor, disadvantaged, or victims of society. They would have us believe that women are not entrepreneurial, that they do not share an interest in the economy, that they need to be propped-up, supported, helped and assisted, and that they have extra government money and programs devoted to them.

Not all women are clients of food banks or trapped in cycles of poverty. A lot of women are successful. They run their families in a very reasonable way. They hold responsible jobs in private and public sectors. There are many women who would be insulted by being lumped in with visible minorities and disabled. There are a lot of women who want this House to know that they are proud, self-sufficient Canadians who are contributors to society and who support the budget of 1992.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, if I could just ask the member who just spoke to substantiate his contention that this is a good budget for women, that in fact it will help women in the work place and help women in their ability to access adequate housing and so on.

Would he indicate how women could possibly be assisted in the work place by the resolution in this budget of putting the last nail in the coffin of the national child care system in Canada? How does that help women in the work place particularly after the comments of the Prime Minister in 1988 and many other times about how important and critical child care is for women to be able to access the employment market.

I presume on the basis of the comments he just made that he disagrees with the Prime Minister's contention about the importance of child care in the work place.

How could finally deciding not to have a national child care system help women in the work place? How could the decision to ignore a Human Rights Tribunal decision, should it rule against the government on pay equity in the civil service, help women in the work place?

On those two matters, how could the budget help women in the work place? It seems to be a very contorted view of this. Certainly from the comments of women on this side of the House and women from outside groups, it would seem to be hard to sustain.

With regard to the government's final decision to renege on its promise to increase co-operative housing to 5,000 units a year, how will ending the Co-operative Housing Program help women in the housing market?

Mr. Turner (Halton—Peel): Mr. Speaker, I think the budget attempts to address some fundamentals in society, rather than throwing money at some social problems as a temporary solution.

The budget tries to find more permanent and viable solutions to some of our social problems. In terms of child care, the government has decided not to proceed with financing child care. The simplest and most effective answer to how that will benefit Canadian women is that in order to implement the child care program, it was estimated that the Government of Canada would have had to find roughly $3 billion a year to finance it.

We would have found that money either by raising taxes or diverting spending in some other areas. We are certainly open to suggestions as to where $3 billion additional can be found for that. Certainly I think raising taxes is an unacceptable solution to most Canadians.

It would appear the money would most likely be found by deficit financing, as the opposition members would encourage. Deficit financing means we borrow the money. Right now we are borrowing money to pay the interest on money we already borrowed. It is a ridiculous situation. Canada cannot continue in that way, therefore I think deficit financing is not the answer.

How does this decision help Canadian women? It helps Canadian women the same way it helps Canadian men and the same way it helps Canadian children. It will stabilize the economy, help to get our fiscal house in order, and make sure future generations do not have to pay in excess of what they should for the delivery of that day's services, the way today's taxpayers are paying a lot more than they should.

The government has an operating surplus this year of $12 billion. We take in $12 billion more in taxes than we spend, but the interest on the debt is $43 billion this year. That is a legacy from the past. It is a $43 billion monster.

It wipes out the $12 billion surplus and puts us back in the hole. If we were to continue in this way, taxpayers in the future would be even more burdened. Canadian women and children in the future would have even fewer resources available from any future government of any political stripe to help them. That is the answer to the member's question.

You have to be responsible, or else the social programs are going to collapse. You know that. The hon. member across the way is very devoted to social programs, and that is fine. I salute him for that. I have no problem with that whatsoever. But if we allow our ability to fund those programs to be shattered by financial or fiscal irresponsibility, who wins? It is not a political issue any more. It is just common sense.

I do not think politicizing the fact that we have high debt interest payments is going to help Canadian women and children at all. Let us face the facts and cut through the rhetoric here. If you go bankrupt, you cannot fund your social programs, and if you cannot fund your social programs it is the people at the bottom of society who get smacked. They are the ones the hon. member in the New Democratic Party is trying to look out for. It makes no sense.

• (1740)

The Acting Speaker (Mr. Paproski): There are still a couple of minutes for questions and comments. The hon. member for Winnipeg North.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the member just indicated it is common sense. Well it is common sense to look at the cause of the problem and not treat the symptoms of the problem as in medicine.

Abuses of children and women are symptoms of the problem. One of the major causes is the lack of an affordable, universally accessible child care program in the country. We must address the basic cause of the problem and not the symptoms.

I am glad to hear the member admit that the deficit of the day has been the legacy of the past. I think he knows the years from 1984 to now are past. He has admitted that, and I am glad.

Mr. Turner (Halton—Peel): Mr. Speaker, every nickel of the increase in the debt of Canada since 1984 can be accounted for by interest on the debt that existed before. It is called the magic of compound interest. Anyone who wants to put $100 in his RSP today and have only common interest accrue on it and look at the amount that is there in seven years will see that it has doubled.

It is the magic of compound interest and the member should look into some simple mathematical tables on it. I know he is a doctor so maybe he has not had time but it would really enhance his education.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is of special interest to me to follow the member for Halton—Peel. I want to pick up on his comment that because the problem is poverty, it is not going to be solved by throwing money at it.

I can only quote a woman I have known and admired for many years who has lived with poverty, raised her children with it, and has said frequently: "When the

problem is poverty I can't think of anything better to throw at it than money".

The member spoke about women's right to social programs. We have to address in this country why we look at social programs as a woman's right. The fact is that we look at social programs as a right of women and children because it is women and children who are poor in our society. It starts from the time they are young and continues until they are old. Two-thirds of the elderly poor in this country are women. The vast majority of the working poor in this country are women. The vast majority of single parent women are poor.

We are here to talk about the budget. The budget more than any other document or bill or piece of business that comes before this House is a statement of a country's and a government's priorities.

It is a statement of its commitment to the equitable distribution of the resources that we pool as a society, to the benefit of all Canadians.

I want to address how this budget stacks up when it comes to a fair and equitable share of public spending in this country for women.

My colleague from Halifax has put forward a motion that condemns the government for its disregard for the fundamental rights of Canadian women, especially as expressed in this budget.

This debate has several dimensions and I am going to start first with those aspects of the budget that go directly to the issue of human rights. This budget is bad news for human rights, and bad news for human rights is bad news for women.

This budget, more than anything I have seen come before this House, is a direct attack on the very commitment of Canadians to human rights through their government and all the institutions that protect those human rights.

It has been 15 years since the first Human Rights Act was passed, 10 years since the Charter of Rights and Freedoms was passed and 5 years since the Employment Equity Act was passed, yet women and other groups in our society still do not enjoy full equality. This budget is a concerted attack on their efforts to ever enjoy full equality.

Under the Canadian Human Rights Act, the role of the Human Rights Commission is to make sure that government policies and programs conform with equality and human rights. If that commission rules that 70,000 women working for the Public Service of Canada are entitled to pay equity, this government will not pay it. This government will ignore the Human Rights Commission. Not only that, but this government will use Parliament to pass a new law so it does not have to respect the human rights of women.

The lack of pay equity is one of the main contributors to the poverty of women.

Second, the government has said it is not going to listen to what the Supreme Court of Canada says when it comes to the Charter of Rights and Freedoms. Right now the government primarily discriminates against women based on whether they are married or single in terms of their entitlement to a spousal allowance between the ages of 60 and 64. That case is now before the courts.

The government has said, even though the Supreme Court may find that this legislation discriminates on the basis of marital status, it is not going to implement a decision of the Supreme Court. It is going to change the laws so it does not have to pay attention to the Supreme Court on people's equality rights. That same decision no doubt will be applied if the government wishes to choose to ignore the Supreme Court, if it rules in favour of divorced and separated spouses, in the case of arguing for equal entitlement to pensions from the pensioners to whom they were married for most of the time the pension asset was being built up by that pensioner.

The third thing the government has said is that it is cancelling the Court Challenges Program.

As I said, it is a decade since we have had a Charter of Rights and Freedoms in this country, and yet most of the cases that have come to courts have served to work against equality for women and other disadvantaged groups. The only way women and others protected by the charter have been able to put forward their rights under the charter through the courts is through the Court Challenges Program. As my friends on the other side acknowledge, in our society women are poorer than men. They do not have the money to go to court and defend their rights.

There are a number of issues that affect women directly. The government has pretended that the child benefit is a benefit to women. I want to point out that page 99 of the government's budget document says quite clearly that the child benefit will save $750 million this year, and $3 billion next year. In other words, from now on the government is not adding to child benefits but is taking $3 billion out of child benefits.

Is it benefiting those who most need it? I do not think so. I have looked at the figures. A family making $40,000 will get $44 more out of this program. A family making $50,000 will get $120 more out of this program. Those earning $60,000 will lose $380, while those earning over $100,000 will lose only $237. Does this child benefit program benefit those who most need it? The figures say otherwise.

The cancellation of the National Child Care Program has been referred to sufficiently. I always hate to talk of this as a program that relates particularly to women because, as far as I know, every child born in the world has two parents, one male and one female. Nonetheless, child care is a major factor in whether women can or cannot participate in the economy and can or cannot benefit from employment.

• (1750)

The member who last spoke said that the government is doing things for housing. The cost of housing is the greatest contributor to poverty. Yet this government has completely cancelled the co-operative housing program which allowed a lot of families, including women and their children, a lot of seniors including a majority of women, to participate in creating their own housing communities and to know that when they moved in they did not have to worry at the age of 70 or 75 about not having a place to live.

I meet with seniors from my riding in the co-op housing development that they built. They are worried that this government's restrictions on the cost of social housing will mean that they at their age will not be able to feel secure in their own homes and will not perhaps in a few years be able to afford to continue living in the homes that they built.

What has been done to social programs is obviously not the only issue that affects women. Not all women are poor, that is true. They are disproportionately poor in a very wealthy society and that is something we should all be ashamed of. The fact is because women are disproportionately poor, children are poor. We know the results of that: increased accident rates, increased illness rates, increased death, increased suicides, four times the rate of dropping out of school. Those are the results of poverty that our society cannot afford if we truly believe that our human resources are our most important resources and that developing the full potential of those human resources is the major commitment of any civilized society.

I want to go beyond those token things that people tend to refer to when they talk about the impact on women. I want to get into, for the remaining time I have, what is the real impact of this budget. How do we take the $160 billion plus that the government will be spending this year and how can we look at how much of that money goes to benefit the female half of our population and how much goes to benefit the male half of our population. In other words, what is the gender equity in this budget? That is not a question that governments have ever asked themselves.

I can tell you, Mr. Speaker, the results when I was involved in a similar analysis of a municipal budget in the recreation area. The vast majority of dollars spent in recreation went to benefit boys and men, not girls and women. I suspect if we did a gender equity analysis of this budget, we would find that the vast majority of spending goes not for the benefit of women and their children or women at all.

I want to just pick up a few examples. I want to talk about the fact that program spending is going up by 4.7 per cent in the Government of Canada. Yet wage controls have said that women working for the Government of Canada, and they are our lowest paid workers by a large majority, do not get an increase this year. We can afford nearly a 5 per cent increase in spending when inflation is projected at less than 3 per cent, in fact barely over 2 per cent, but we cannot afford to pay women who are earning poverty level wages to work for the Government of Canada.

We look at downsizing that has happened in government. I want to refer to the report on the Dryden air crash that came out just this past week. Repeatedly in that report we hear about highly paid technical and professional people in Transport Canada responsible for the safety of the travelling public spending increasing amounts of time doing their own clerical, secretarial and receptionist type of work.

The reason for that is very simple. The reason is that when it comes to downsizing, the people who go first are the support services. Guess who are primarily the support services in the Government of Canada, by over 80 per cent? It is women and women earning small salaries.

We get rid of women who provide the support services and we pay three times as much to highly qualified professionals to do that person's clerical and support work. Does that make any sense in terms of efficiency and economy and productivity in government? Of course not.

We look at the RCMP. When the RCMP downsizes, it gets rid of the clerks and receptionists at its small stations. Then it has highly paid, highly trained RCMP officers doing their own typing. Does that make any sense? Of course not, but it is easier to get rid of women, is it not? That is what downsizing, what government policy has meant to women.

There is going to be further cutting of resources, further bringing in of technology. Suddenly when the typewriter is gone, the woman is gone. When the computer and the programming comes in, the man comes in.

These are the kinds of things we have got to look at when we see whether we have got a budget that is equally fair to men and women in Canadian society.

We look at increases in the Canada Pension Plan or the unemployment insurance premiums. Who pays those primarily? Because there is an income cap on those premiums, that increase is borne primarily by women because it is mostly women who are under the $32,000 or $34,000 limit on those programs. Above those limits, the premiums do not go up. You can be earning $100,000 and your premiums are still the same as somebody earning $30,000.

RRSPs. You can invest $20,000 of your RRSP in buying your first home. When you are buying a first home, and you have got $20,000 in an RRSP, I ask the House, what are you, male or female? A large proportion of the time it is going to be a male who who can benefit from that program.

We reduce the surtax by 1 per cent. Who benefits most? Those highest income earners benefit most. One per cent means more on $100,000 income than it does on a $15,000 income. Who earns primarily the $15,000 income? Women. Who earns primarily the $100,000 income? Men. This budget benefits men to a much greater extent than women.

We lift the ceiling on small business loans, up $100,000 to $200,000. Mostly men starting small businesses borrow in that range. Women starting small businesses borrow much smaller amounts.

The increase on the ability to provide venture capital loans has increased in a range that is going to benefit men starting businesses far more than women starting businesses.

The tax incentives to research and development I suggest is worth a good gender equity analysis. The reduction in the manufacturing processing tax, who is that going to benefit? Who do cuts in corporate taxes benefit mostly? Not women.

We have a prosperity agenda. We have trade expositions. We have task forces that are 90 per cent men, according to the news releases I have seen coming from the ministers' offices. Those expeditions all over the world are going to continue and they are going to continue to be well-funded. It is not women who are going to benefit from that funding.

We have a regulatory review that is going to cost a lot of money. I ask you: Who is regulation designed to protect? Generally, regulation is designed to protect the weakest and the most vulnerable. That is true if it is a regulation that has been requested by business. Most regulations have been requested by business in the 125 years since Confederation, not by consumers and not by the general public, but by business to protect business. In any case, regulation generally protects those who can least protect themselves, and more often that is going to be women than men.

I think that kind of analysis of every dollar we spend is a commitment that any government has got to make to women. Who benefits from the $165 billion we spend annually in this country? Who contributes most? Who benefits most? The lower income taxpayer contributes the large volume of tax money; the higher income tax earner gains most from public spending. If we truly want to address equity for women, the poverty of women and children, that is where we have got to start.

The Acting Speaker (Mr. Paproski): It being six o'clock p.m. it is my duty to inform the House that pursuant to Standing Order 81(17) proceedings on the motion have expired.

Pursuant to Standing Order 37, the House will now proceed to the consideration of private members' business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Mr. John Reimer (Kitchener) moved that Bill C-324, an act to amend the Criminal Code (firearms), be read the second time and referred to Legislative Committee H.

He said: Mr. Speaker, the purpose of my bill is to send a powerful message of deterrence to anyone who is thinking about taking a gun along to commit a crime. This bill would toughen section 85 of the Criminal Code in that the minimum mandatory sentences would be increased from one year to five years for a first offence and raised from three years to eight years for any subsequent offences. The sentence imposed under section 85 would be served consecutively to the main offence, which means that it would be added on after serving the first offence.

Second, there would be no eligibility for parole during the five years.

Third, this bill would also specifically prevent the mandatory sentence from having any impact on the sentence imposed for the other offence.

Fourth, this bill also requires the written consent of the provincial Attorney General before any section 85 charge could be withdrawn or plea-bargained away.

I had the privilege of chairing the special committee on the subject matter of Bill C-80 on firearms. I am pleased to say that all but a few of the recommendations out of the 33 were adopted in a much improved bill on firearms, Bill C-17, which is now the law of Canada.

I am particularly pleased that both the Criminal Code and the regulations on the illegitimate use of firearms, which the Minister of Justice tabled this morning, have within them some tough new measures targeting the criminal use of firearms. There is now a 10-year maximum sentence for the possession of prohibited weapons. That also applies to possession of a firearm while under a prohibition order. Third, it applies to importing, buying or selling of prohibited weapons.

Additionally, stronger prohibition orders were implemented, meaning that the courts are now required to consider prohibition and the seizure of a firearm in all bail or release proceedings involving offences where the use or threat of violence occurs.

Finally, the duration of court prohibition orders has been increased from five to 10 years for a first conviction, and from 10 years to life for repeat offenders.

I am confident that had those measures been in place a few years ago that some Canadians would be alive today and not the tragic victims of the criminal use of firearms.

Two committees, the one I chaired and subsequently the legislative committee on Bill C-17, heard some specific comments regarding the subject matter of the bill I am proposing today. I would like to read some of them into the record.

Mr. Ronald Gladish, the first vice-president of the Canadian Wildlife Federation asked:

> Where are the minimum three to five year penalties for the use of firearms during the commission of an offence, as recommended by the Special Committee on Bill C-80?

This bill addresses that omission.

The Ontario Federation of Anglers and Hunters said:

> The provision for mandatory additional jail terms for the use of a firearm in the commission of a crime, must be fully enacted and enforced as mandatory.

In response to a question about a five-year minimum sentence, Mr. Dare of the Service Rifle Association answered, and I quote:

> What we are saying is that five-year mandatory would soon get the message across that a firearm is not acceptable if you carry it concealed, illegally or if it is stolen.

Mr. Beauchesne the Technical Adviser for Law and Amendments Committee of the Canadian Association of Chiefs of Police said, and I quote:

> All police officers and Canadians are asking that zero tolerance be given toward those who commit crimes with firearms.

Ms. Wendy Cukier of the Coalition for Gun Control remarked:

> We support the police and their call for tougher sentencing on firearm related crimes.

This bill then is an attempt to respond to those urgent calls for action, and there were many more that I have not quoted. In fact, the one item on which all groups agreed, whether for or against the legitimate use of firearms, was a call for stricter and tougher laws and sentencing of criminals who use firearms.

The Special Committee on Firearms recommended the following and I quote: "With respect to section 85 of the Criminal Code, the minimum mandatory sentences therein be increased to three years". Unfortunately, this recommendation was not accepted and that is why I have brought it forward as a Private Members' Bill and in so doing, change the recommended three year mandatory minimum to five years. I do so because I believe three years to be too short for such a serious offence.

Further, I heard that the former Right Hon. John Diefenbaker tried but failed to change the Criminal Code back in 1971 to do exactly what my bill does, that is to provide for a five year minimum. I agreed with him at that time and I decided that if I ever got the opportunity, I would argue for a five year minimum for the criminal use of a firearm.

Here I am today with that opportunity. I truly hope that members of this House will seriously listen to my arguments for this bill.

Further, we all know how our system of sentencing and parole works. Under the Parole and Penitentiary Acts a 12 year sentence can become an eight year sentence by crediting the convicted criminal with 15 days for every 30 days served, thereby reducing the 12 years by one third to eight years. Then that eight years can become four years because the convicted criminal is eligible for parole at the one third point of the 12 year sentence, i.e., the fourth year. In fact, the four years can become two years for day parole purposes because the convicted criminal is eligible and can apply after one sixth of his sentence, i.e., two years, for educational or job related reasons.

Therefore, an armed bank robber who threatened people with death by his gun and received a 12 year sentence can be on day parole after two years and back on the streets after a mere four years of that 12 year sentence.

Under the present law we would have to put a criminal away for 15 years to ensure that he spends at least five years behind bars.

That is what annoys people and that encourages cynicism toward our legal system and courts. A 15 year sentence sounds severe but it becomes five years in practice. As one witness before our committee in expressing outrage complained, and I quote:

> There's the young robber out in three years, when the young woman he shot is confined for life in a wheelchair; an innocent victim to a terrible crime.

That is not proportional justice to fit the crime. The present law beginning at a one year minimum is not enough. Three years is not enough. Fifteen years under our present Parole and Penitentiary Acts can become simply five years. That again encourages cynicism and accusations that our laws favour the criminal and not the innocent victim. Therefore, as one means to correct that problem this bill would bring in a five-year mandatory minimum with no parole for that five year period.

• (1810)

Many police chiefs support this bill, including Chief Bill McCormack of the Metropolitan Toronto Police, Chief Constable Bill Marshall of Vancouver, and Chief Vince MacDonald of Halifax. Chief Harold Basse of the Waterloo Regional Police, who is also president of the Canadian Association of Chiefs of Police, wrote the following: "I am pleased to inform you that the Canadian Association of Chiefs of Police fully supports the proposals in your bill".

He also wrote:

> The introduction of this bill is a very welcome change in attitude toward protecting the public rather than continuing with the trend of only being concerned with the rights of the offender. The increased minimum mandatory sentences should provide a deterrent to the use of a firearm while committing a crime.

He went on to say:

> It is also very appropriate that in this proposal it was deemed necessary to include a control over withdrawing or "plea bargaining" away these charges.

Police Chief Borbridge of Calgary said:

> I am encouraged by the serious view which is being demonstrated in putting forward this bill. Crimes of a violent nature have increased significantly across this country and it is timely that tougher and more realistic penalties are being considered to be imposed on persons found guilty of such crimes. The proposed penalties not only reflect the severity of the offence but also are reflective of the the communities concerns. The non-eligibility for parole reinforces the seriousness of these crimes.

James M. Kingston, chief executive officer of the Canadian Police Association stated:

> Please be advised that the Canadian Police Association strongly endorses the intent of your private members' bill. We trust you will secure the necessary support to pass it into law.

I have been advised that I must amend the bill regarding the question of parole. Therefore, if adopted, I would amend the bill to allow parole for any sentence beyond the new minimum mandatory of five years.

I have also been advised that if this amendment is not made this bill might infringe section 12 of the charter of rights which states that everyone has the right not to be subjected to any cruel and unusual treatment or punishment.

Some even argue that the bill, as amended as I have suggested, might still be contrary to section 12 of the charter. However, I think the bill is justified under section 1 of the charter.

As former Chief Justice Brian Dickson said in The Queen *v.* Oakes:

> The rights and freedoms guaranteed by the charter are not, however, absolute. It may become necessary to limit rights and freedoms in circumstances where their exercise would be inimical to the realization of collective goals of fundamental importance. For this reason section 1 provides criteria of justification for limits on the rights and freedoms guaranteed by the charter.

Some people say that the charter forbids any mandatory minimum sentences in the light of the Supreme Court's 1987 decision striking down the mandatory minimum sentence of seven years for the importation of narcotics. To the contrary, Mr. Justice Lamer, in writing for the majority, said the following:

> A minimum mandatory term of imprisonment is obviously not in and of itself cruel and unusual. The legislature may, in my view, provide for a compulsory term of imprisonment upon conviction for certain offences without infringing the rights protected by section 12 of the charter. For example, a long term of penal servitude for he or she who has imported large amounts of heroin for the purpose of trafficking would certainly not contravene section 12 of the charter. Quite the contrary.

Here we have two justices of the court who clearly say that we can have minimum mandatories. There is nothing wrong with that as long as it fits the crime. I would suggest this does.

My bill proposes a mandatory minimum sentence to deal with a problem that has as much, if not more, potential to cause serious physical harm and/or death than importing drugs. That is the criminal use of firearms. I have nothing against tough sentences against drugs. In fact I would like to see them even stronger. I think the sentencing against the criminal use of firearms needs to be strengthened, and that is the purpose of my bill.

Therefore we should not argue that mandatory minimums are *ipso facto* contrary to the charter. My argument, and it would appear two Supreme Court justices might agree, is that the punishment must fit the crime.

Mr. W. R. Crampton of metropolitan Toronto has provided me with some truly alarming statistics of four different offences committed with a firearm within metropolitan Toronto. Let me give these four sets of statistics.

Murder committed with a firearm from 1989 to 1991, for those three years, increased by 557 per cent. Armed robberies of small businesses with a firearm for the same three years increased by 234 per cent. Bank robberies where a firearm was clearly visible increased by 313 per cent from 1989 to 1991. Assault with a firearm increased 537 per cent from 1980 to 1989, over that 10-year period. Further, robberies with a firearm in my own region of Waterloo in the province of Ontario have increased 420 per cent from 1987 to 1991, over a four-year period.

Every one of these is 300, 400 or 500 per cent. And what are we doing? We are sitting on this offence of one year only. I challenge those who are going to get up later, argue against this bill and talk it out to answer those statistics, to give us their clear reasons. I challenged them to answer what the chief justice of the court has said, to answer what Justice Lamer has said, to give me good reasons and not just a speech of 10 minutes worth of words, and to start saying something real that will speak to those facts.

Let us remember also what we are talking about in this bill. We are talking about about a conscious, deliberate decision to take a gun along in the commission of a crime. It includes a second deliberate decision: to load that gun. That gun does not load itself. That gun does not put itself in the man's pocket. He puts it there. That gun does not come out of his pocket and into his hand when he is committing another offence. He takes it out. Let us remember that when we consider the content of this bill.

The reasons for taking the gun are also very clear. They are either to threaten or shoot with the intent of serious injury or death, or to shoot at a police officer while fleeing the scene of that crime.

Yes, a five-year minimum with no parole is a severe penalty. There is no question. But so is the penalty of being sentenced by a criminal to life in a wheelchair or the greater consequence of death as the innocent victim of a shooting by a criminal in a hold-up.

A few years ago a constituent of mine told me of the tragic killing of his father in a bank hold-up. His retired father was standing in a line when two armed men came in. They robbed the bank and while fleeing opened fire and killed his father. A loaded gun taken along for criminal purposes is a serious crime that can have serious consequences and must receive the commensurate serious penalties. We must not forget why we are here and what our responsibilities include.

The Law Reform Commission of Canada in 1989 reminded us:

> The criminal law is our nation's fundamental statement of public policy. It is the instrument by which the community draws a line between the tolerable and the intolerable. Ultimately, the criminal law is a mirror of what we are; it reflects our commitment, or lack of commitment, to human dignity.
>
> The law does not exist for the sole or primary purpose of punishing illicit acts. It exists, as an expression, in a broad sense, of the kind of people we are. It does not merely regulate our behaviour; it articulates and symbolizes our values and beliefs.

• (1820)

In conclusion, I have given statistics which are truly alarming. I have given quotations from what we heard as a committee on Bill C-80 and Bill C-17. They were unanimous in their call for tougher sentencing of criminals when there is misuse or criminal use of a firearm. I have spoken of the chiefs of police across Canada, all of whom endorse this bill. I have spoken of the membership of the police association which also endorses this bill. I have said that it does not offend the charter, and I have quoted two justices of the court to prove that.

Therefore I ask that members consider this bill very carefully. I ask that members give unanimous consent today to allow this bill to go to the next stage, that is a legislative committee.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I am pleased to be able to speak today on Bill C-24.

As the hon. member for Kitchener has stated, he was not only a member of the special committee on gun control but he was the chairman. I would say without any hesitation that he did an excellent job in that capacity, which was not the easiest at all times to handle. It was a very contentious subject. There was a wide difference of opinion, not only among the witnesses who came before the committee but among the members of the committee themselves. However I think in hindsight we created a report which was quite helpful.

By way of coincidence today, the Minister of Justice has tabled the first set of regulations under Bill C-17 which, as the hon. member from Kitchener said, was modelled largely on the report of the special committee. I want to commend him for his thoughtful presentation with respect to this bill. I know the concern the hon. member has with regard to lawlessness and increased crime in our communities. Certainly many of us, if not most of us, in this House have similar concerns.

There is an alarming increase in the rate of crime in Canada, particularly in our urban areas. This cannot be allowed to continue. It cannot be allowed to go on unchecked. We have to deal with it. We have to look at the situation in our country and state categorically whether or not we are going to do something about this, or are we going to continue to turn away from it? I do not think there is any question. The public is not going to let us turn away from it.

The member of Parliament wants all Canadians to be more cognizant of the increasing rate of crime in our country. In that regard he has presented a very thoughtful bill.

I have problems with some aspects of the bill. As the member stated in the special committee, it was recommended that the minimum for a first offence in the commission of a crime with the use of a firearm be increased from one year to three years and that for a

second offence it be increased from three years to five years.

That developed a fair amount of debate and discussion in our committee. For the member to recommend a first offence going from three years, as recommended by the special committee, to five years and from five years on the second offence, as also recommended by the committee, to eight years is extreme and perhaps a little too far the other way. I will state my reasons for thinking that.

First I want to mention, as he has pointed out, that with parole there is a great facility and a great capacity to have sentences reduced. That is a factor, unequivocally.

However, there are other aspects we have to take into consideration, that if we do not have parole then we do not have the ability to reform and rehabilitate. We do not have the carrot to hold in front of a convicted person under this offence to offer some incentive to be rehabilitated.

A lot of people will say that these people cannot be rehabilitated, they are incorrigibles, they are a blight on society. That is not true. Not all people who are convicted of a crime are incorrigible by any stretch of the imagination. Not only that, regardless of what sentence these people are given, what minimum and what maximum and what they ultimately serve, these people are going to be back in society.

It is very important to note that we are going to be dealing with these people in society. We want these people to have learned from the experience. Not all of them will. You cannot have everybody come out of an institution, after having served a penalty, to be perfect and not commit another crime. That is just not the way it is going to happen and it is not the way the system works. What we try to do is have it as successful as we possibly can. We want to increase the odds against these people being repeat offenders.

It is important that we look at this in perspective. One of the institutions that holds our country together is our judicial system. We as Canadians have placed a lot of faith in our judicial system; in our judges and their capacity to make the right decision based on the needs and the dictates of society. We have to give these judges latitude and assume that they know what they are doing.

If we start creating too many of these minimum offences of really extensive periods of time without parole then we are tying the hands of judges to dispense justice. In other words, we are not allowing them to do their job. I think that would be a mistake because there are incidences where five years would be far too long even for somebody committing a crime with the use of a firearm and that is a serious crime. But if you had a father whose family was going hungry and needed food and the father used a firearm, be it loaded or unloaded, to get food from a convenience store, would you say that warranted five years in prison?

If a father, on hearing that his child had been struck by what was alleged to be a drunken driver and that the child was fatally injured or perhaps seriously injured and could have permanent damage, in a rage of grief took a firearm and shot at the house or in the vicinity of the house of the alleged impaired driver, would that be a situation where the person who committed the offence should be sentenced to a five year term?

These are situations that bear and deserve a lot of consideration. I do not think we can, as members of Parliament, as concerned Canadian citizens, tie the hands of our judiciary, as the hon. member for Kitchener is suggesting.

The member for Kitchener also suggests that there not be any parole during the minimum period. For instance, if someone committed a first offence with the use of a firearm and was sentenced to eight years, because of the five year minimum that person would not be eligible for parole for five years. There would be no incentive for that person.

Do not forget it is the Canadian public that is paying the expenses of that person while he or she is incarcerated. If we are not getting some benefit from that incarceration in the hope that that person will be rehabilitated to a certain extent then it does not matter what maximum we are suggesting. There is not going to be a benefit and the cost is going to be there without the inherent benefit.

The hon. member also suggested that there not be any plea bargaining without the approval of the Attorney General. The crown prosecutors are the agents of the Attorney General. The question is how much can you lay on the Attorney General who is quite busy. What is the situation? Are you going to have a backlog? Are you going to have lengthy delays while the Attorney General

waits or you are waiting for the Attorney General to make his or her decision?

• (1830)

We also have plea bargaining as a tool of the criminal justice system. I agree that it is used too frequently. But is plea bargaining the culprit or is it a symptom of another greater problem, that we do not have enough judges and justices in our court system, that our court system is backed up. Should we then look at the fact that we need more judges?

We should also look at the idea of community service. Perhaps that would relieve some of the congestion in our judicial system.

While I appreciate what the hon. member is trying to do, I have some problems with the way he is doing it and what he is suggesting. The extreme nature of some of his suggestions would be counterproductive. While I applaud him for his concern, I cannot support this suggested legislation.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise to speak on this bill as the NDP justice critic and also as someone with a background in criminal law.

My first job as a young lawyer was assistant city prosecutor for the city of Vancouver. In that job, I dealt with people who were charged with these sorts of offences and prosecuted cases where people went to jail for these offences. I might say that those who went to jail should have gone to jail for those offences.

After I served as Crown attorney in the city of Vancouver, I spent some time as a defence lawyer. I defended people who were charged with these offences. People say, how can you do that? In our system people are entitled to a fair trial and they are entitled to a fair defence.

The hon. member for Kitchener quoted a past member of this House who originally brought forward the idea of a five-year minimum penalty for an offence with guns, the Right Hon. John Diefenbaker. He too was a defence counsel. He could see both sides and knew that you could defend someone for these offences, but you also had to prosecute them for these offences and that they were serious offences.

I want to say right out to the member for Kitchener that I agree with zero tolerance for those who commit a crime with firearms. They should go to jail. They should go to jail quickly and they should serve their time in jail. We do need stricter and tougher laws for criminals that use firearms. I want to say that right out. It needs to be said.

Having said that, I know the hon. member chaired the committee on Bill C-80, the first gun control bill. It then became Bill C-17. As my hon. friend and colleague for Cape Breton—The Sydneys, the Liberal justice critic said, the hon. member for Kitchener did an outstanding job in chairing that committee. I do not have any hesitation in saying that. Politically, we do not agree on many things although there is some agreement here. I want to say right out he did a good job with that committee. I am tempted to say I wish the Beaudoin-Dobbie committee had been more like our other committee on Bill C-17.

He will forgive me and allow me to quote myself from the committee report because he did allow members, unlike Beaudoin-Dobbie, to sign the report but also to put in an addendum, to flag important issues. I want to quote myself on page 68 from my addendum under Criminal Misuse of Firearms:

> The special committee proposes much stiffer penalties for criminal misuse of firearms. For example, it is recommended that a minimum term for the use of a gun in the commission of an offence be tripled.

That was one year to three years. The member's bill proposes five years.

> I agree with this recommendation. However, I believe the special committee mistakenly sees longer sentences as a trade off for weakening the controls on firearms of Bill C-80. The focus on jail terms for criminals is an easy one for politicians.

Perhaps I was being a little bit harsh, but I did say "an easy one for politicians".

> In some way, it is an extension of the oft-heard phrase "guns don't kill people; people kill people". We need strong controls on firearms and tough penalties for those who misuse them. People with guns kill people.

What I was saying there and I say now is a bit of a warning. Do not think by passing a tougher law on criminal misuse of firearms that the problem of gun control is solved.

The regulations that came in today in the House of Commons really basically deal with the non-criminal use of guns which we have to deal with and I will come back to that in a moment.

I think someone said 1,400 people a year die through accidents and suicides and so on. These are not criminals, so we cannot use it as a trade off. We cannot say, as many people said in the gun control debate: "Don't have strong gun control. Just focus on criminals who use guns". I say we have to do both. I want to make that very clear.

The bill that the hon. member for Kitchener introduces does four things as I understand it.

The first one is that it would toughen up section 85 of the Criminal Code so a minimum mandatory sentence would be increased from one year to three years for a first offence.

Second, there would be no eligibility for parole.

Let me just backtrack on the first one because I want to say I am prepared to see this bill go to committee. We could seriously consider it as a piece of legislation. The increase from one year to five, I think the committee has to look perhaps at three. The hon. member from Cape Breton—The Sydneys said that. That is a matter we can debate in committee.

I accept the principle in the bill that it should be increased from the one year. As the hon. member knows, I have changed my mind. I have been listening, as I should and of course as I do all the time, to my constituents from Port Moody—Coquitlam and I am very disturbed that the ordinary person is getting disturbed, upset and scared about the increase in violent crime in Canada. To me, that is not good.

It is not good that we have the increase in violent crime. It is important that people are concerned. I say this to my constituents who may be reading this or who may be watching this that I am listening to what they are saying. That is why I am supporting the hon. member today.

Second, he says that there should be no eligibility for parole. Well, I wonder about that. I have a question mark there. We do that; it is not a precedent. We do it on murder, do we not? No eligibility for a certain number of years.

I would not want to hurt the parole system. I would want to hear more about that from the hon. member in committee. I know he said he has offered some amendments to his bill. I want to see those amendments and look at it closely and I flag that as a concern I do have.

Third, he says the bill also specifically prevents the mandatory sentence from having an impact on the sentence imposed for another offence. I think that is a good idea and I support that.

Fourth, he says the bill also requires the consent of the provincial attorney general before any section 85 charge, that is a charge of having a weapon while committing an offence, before that could be withdrawn or plea-bargained away. I want to tell the hon. member that in my court when I was Crown attorney, no one plea-bargained away a case of having a gun. I used to say to my clients when I was defence counsel: "You are charged with a gun offence. You are looking at a jail term".

• (1840)

The hon. member has told me that things have changed in the courts. I am surprised. It was always my experience that if you had a gun in an offence situation you got mandatory time for that. You were convicted.

I can accept that. It leaves a situation where there might be an extraordinary circumstance. I have given an example of an aboriginal person in a northern settlement. It is easy to be charged with robbery when someone with a gun has been drinking. With hunters or trappers the gun is there all the time and it would be easy to get into a situation where there would be some unique case that would be out of line. I think the hon. member captures that in his bill. I am glad he put that in.

Let me summarize by saying that I believe there should be zero tolerance. I believe that we should have tough laws with respect to the commission of an offence. I also believe that we should have good and effective gun control on other issues and that is the non-criminal element of the crime.

I do not believe that semi-automatic assault weapons, converted weapons, should be flowing into this country as they are now. This government is not acting fast enough to bring in effective regulations to stop that.

Having said all that, I would like to conclude that we do need a new look at our justice system. As a part of that we have to look at gun control and tougher penalties for crimes with guns.

We have to look at a change in the juvenile system. I am getting that from my constituents. We have to work at crime prevention. Finally, we have to look at real rehabilitation of offenders so that they do not just get out of jail and then commit another offence. That is the challenge.

This bill is worth considering. It is part of the challenge. I am prepared to sit down now and let the bill go to committee.

Hon. David MacDonald (Rosedale): Mr. Speaker, I will not speak for very long, although it is almost dangerous to make that statement in this Chamber at the outset of one's remarks.

Like the other members who have spoken, I certainly appreciate the interest, the concern and the intense activity the member for Kitchener has given to this matter, not just in the bill but in the chairing of the committee and in concerning himself with something that certainly concerns many, if not most Canadians.

I represent one of the areas in Canada which can be the most readily affected by the use of guns in the commission of a crime, downtown Toronto. My constituents are well aware of the dangers.

During the course of the last year or two the Minister of Justice introduced first Bill C-80 and then Bill C-17, I believe it was. This was extremely important.

I did hear from some specialized groups in the community who were concerned about the restrictions that might apply to those who were recreational or competitive users of guns. I would certainly say that the vast majority of people in my constituency were concerned that we would do everything we possibly could to avoid the increase of guns in the commission of crimes.

I welcome the interest not just of the member for Kitchener but the others who have spoken. However, I want to speak directly to the proposal in front of us. It is a proposal that raises some very serious questions. It raises two, in particular, that I want to deal with directly.

It raises the question of the ability of the courts to distinguish between the kinds of crimes that are being committed. In the debate over the course of the last few minutes we have seen the variety of situations that can occur in real life. We heard an eloquent plea from the member for Kitchener in terms of the importance of having these minimum sentences of five and eight years. We heard an eloquent alternative opinion from the member for Cape Breton—The Sydneys when he described the situations in which the courts would virtually have their hands tied in dealing with an individual who, in the heat of the moment or by accident or in some situation with extenuating circumstances, could have his or her life virtually totally destroyed and not only that individual's but those who might depend on that individual. Not to have any ability for the courts to deal with the variety of those situations seems to me to reduce both our respect for and our capacity to use the courts in a way that makes the criminal justice system serve the interests of all Canadians.

I would have some real difficulty in accepting that. When we are increasingly wanting to see the courts exercise responsibility in our society, and certainly that has been the trend over a great number of years now, to put these kinds of inhibitions into the situation would perhaps do significant damage to our courts. I have not been convinced yet of the wisdom of that.

My more important concern touches on something which I do know a fair bit about. Many years ago, before I became a member of this Chamber, I worked as a prison chaplain in several institutions. I worked with a number of people who had been incarcerated for a variety of criminal offences, but the one thing that I was able to learn over a period of several years was that it was absolutely important, along with the incarceration of the individual who had committed an offence, that there was sufficient flexibility beyond the original sentencing period for there to be a recognition that this individual ultimately will be released back into society.

By the establishment of some kind of arbitrary sentencing requirement, in this case for the first offence, one of five years; for the second offence, eight years, I think we would be in danger of creating within our penal system a situation which would do, I believe quite frankly, significant damage.

I have heard nothing convincing in what has been said today either by the member for Kitchener or others in what is magic about imposing an absolute requirement for a five year sentence in the commission of a first crime or eight years on the second, that the day after those five years or that eight year period is completed, that individual is going to be safe to be released back into society.

If I took the member for Kitchener's proposition to its ultimate conclusion, I would say you would put on such a sentence that they might never come back into society. I do not think he is arguing that.

I do not know what is important about five and eight years. What I do know is that it would absolutely prevent, in a number of instances, the assured rehabilitation and the safe release back into society of these individuals.

I have to tell the member for Kitchener that recidivism is still a considerable problem within our institutions. This does not address that issue. Until that is addressed I for one could not support this kind of a proposition.

The third and final thing I want to say is this. The issue, in my mind, is dealing with the thing that we all agree on is not what you do after the offence has been committed, it is how you prevent the offence in the first place. All that has been said about the availability of guns, the acceptability of guns, the way in which guns can flow across the border into this country, those are important issues and the circumstances under which guns are made available, particularly to young people.

I will come here and work with anyone who can do more than that, but I must say that I have been impressed by the Minister of Justice, by the present legislation, by the work that my colleagues have done on this, and I would like to see to what extent we have been able to help the situation along and then let us come back and discuss it.

At this point in time to just arbitrarily impose these restrictions, I have to say, with great respect for my colleague from Kitchener, I simply could not at this point, as an isolated thing, support it. I think there will be real dangers and extensive damage done as a result.

The Acting Speaker (Mr. Paproski): There being no further members rising on debate, the time provided for the consideration of Private Members' Business has now expired.

A point of order, the hon. member for Kitchener.

Mr. Reimer: Yes, on a point of order, Mr. Speaker, I realize there is still some time left in the hour. I wonder if I might seek unanimous consent of the House to permit this bill to go on to committee?

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

Some hon. members: No.

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

It now being 6.50 p.m., this House stands adjourned until tomorrow at two o'clock p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.50 p.m.

HOUSE OF COMMONS

Wednesday, April 1, 1992

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NORTH ATLANTIC TREATY ORGANIZATION

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, I rise today to voice my concern about the government's policy in which my country will no longer have a NATO presence in Europe. It is my opinion that Canada is an integral part of the NATO community. The special role of our presence as the bridge between North America and Europe is very important.

I do not want to beat around the bush. I am concerned about the creation of Fortress Europe and of Fortress U.S.A. I call upon the government to reconsider its decision to remove Canada's NATO troops from Europe.

* * *

PUBLISHING INDUSTRY

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, the Minister of Communications has declared the Canadian publishing industry is enthusiastic about his new policy. Well, the communications minister should inquire again. The Association of Canadian Publishers recently passed a motion stating that the federal government has retreated from policies aimed at achieving Canadian ownership and control of book publishing and expressing firm opposition to permitting foreign takeovers of Canadian owned firms in book publishing and distribution.

The printing industry which employs 78,000 Canadians has, since free trade, lost $160 million annually and 1,700 jobs, resulting as well in a $330 million print deficit equivalent to an increased loss of 200 per cent since 1988. Why so? Because this government has not placed strict country of origin rules on the importation of printed products from the United States such as the Americans have done. Will the government stand up for Canadian printers, put the needed rules in place, strengthen our Canadian publishing and printing industry, and establish a level playing field which will maintain Canadian jobs and their income?

* * *

TAXATION

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, in these difficult days of economic recession and constitutional conflict, it is hard to understand why some measures of government collaboration are not seized when they are so obvious. One such area is the opportunity for harmonizing provincial sales taxes and the federal goods and services tax.

Not only would this simplify sales tax service to all citizens and make the system more consistent, but most important, it would provide a realistic means to ensure a fair and balanced sales tax application toward cross-border shopping.

There may seem to be an obvious short-term political detriment to provincial governments which might take that step, but surely the long term benefits are compelling. Just yesterday, for example, in the New Brunswick budget, a request was made for federal collection of sales taxes on alcohol and cigarettes. Why not integrate the collection process in a complete and comprehensive way?

One other reason involves real dollars that provinces presently collect twice from industry on overhead costs and other indirect inputs. Under the GST these revenues would disappear, but similarly they would reduce the costs of manufacturing and make our export products more competitive.

Harmonization of sales tax systems is a goal worth pursuing.

S. O. 31

GREAT WHALE PROJECT

Mr. Rod Murphy (Churchill): Mr. Speaker, Quebec cabinet minister Lise Bacon's angry statements in regard to the Cree of northern Quebec have not been constructive. Her remarks, along with those of others, tend to inflame both anti-native feelings and anti-Quebec sentiments.

Many natives and other residents of Quebec and the rest of Canada are concerned about the Great Whale Project. They, like the supporters of this hydro development plan, should be expressing their opinions.

The Cree, individually and collectively, are affected directly by this project. They have an obvious right to state their case and to state it forcefully.

I understand the issue being debated because I come from the region of Manitoba where there have been massive hydro projects, some of which have not been popular among native people. I would encourage all who are involved in the public debate on these and other major projects to restrain their rhetoric and to focus their comments on the merits and demerits of the specific development.

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[*Translation*]

YOUTH PARLIAMENT

Mr. Gilles Bernier (Beauce): Mr. Speaker, once again Beauce is setting a record, this time by bringing together the largest number of people for a youth parliament in a non-metropolitan region of Quebec, since such parliaments have been held in our province.

I am very pleased to point out the massive involvement of Beauce youth in political affairs that concern them closely, such as parliamentary reform, privileges for native people, euthanasia, reduced defence spending and so on.

It is comforting to note that our young people are smart and seek new knowledge so that they can look at society, make a diagnosis and suggest remedies for the public good.

I would like to congratulate these young people on their interest in political affairs. To the organizers, Sylvie Poulin, Julie Bédard, Marie-Claude Poulin, Hélène Roy, and all the participants, I say the future begins now and they are the future.

[*English*]

POTATO INDUSTRY

Mr. Joe McGuire (Egmont): Mr. Speaker, the P.E.I. potato industry is being held hostage by the federal Minister of Agriculture. The minister's refusal to exercise his responsibility to apply federal phyto-sanitary regulations equitably to all provinces has left the potato growers of P.E.I. disillusioned and bitter.

Since the original discovery of PVY-N in P.E.I. the province has been subjected to the most stringent testing program of any potato producing area in the world. We have now proven that we have less PVY-N than any other province; yet other provinces are being allowed to arbitrarily refuse entry of P.E.I. seed.

There is now absolutely no scientific basis for Agriculture Canada or the provinces to prohibit the sale of P.E.I. seed within Canada.

This is a case of outright discrimination against Canada's smallest province. The minister must use the authority of his office to put an end to it. This is the responsibility of the national government.

How can we expect the U.S. to open its market when the minister allows provinces to keep theirs closed without any scientific reason to do so?

Does this mean that from now on provinces are free to erect phyto-sanitary barriers against other products as well? Who is running Canada's Department of Agriculture—the minister, the provinces or the USDA?

* * *

FISHERIES

Mr. Garth Turner (Halton—Peel): There are not many cod in Halton—Peel, Mr. Speaker, but there are a lot of people who support the brave efforts of the east coast fishermen who are trying to save their industry.

I, for one, was proud to see Canadian maple leaf flags floating over the nose and tail of the Grand Banks as a symbol that people in this country are standing up to foreigners who wantonly deplete our fish stocks. Losing the cod stocks would be to Newfoundland what losing the automobile industry would be to southern Ontario.

I want my colleagues in the House representing east coast constituents to know, and I want maritimers themselves to know, that they are not alone in this struggle. People in the rest of Canada are with you. Those are our cod stocks as well as yours, just as our forests and our factories belong equally to every Canadian.

Fight on, because you are fighting for all of us.

* * *

CORE AREA INITIATIVE

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I rise today in a moment of sadness to mark the end of the Core Area Initiative, a 10-year agreement which was very successful in reaching out to some of the most difficult problems in our society.

• (1410)

Yesterday, I joined a group of Winnipegers to mark its end. Instead of standing in front of the Core Area Initiative office as we could have for the last 10 years, we stood in front of a "For Rent" sign.

If you think of the objectives of this government, think of all the priorities that it speaks about such as child poverty. The highest rate of child poverty in the country is in Winnipeg in this area. The government has abandoned them.

You think of working families needing day care and child-parent centres. It has abandoned them. You think of single parents looking for assistance and jobs and training. It has abandoned them. You think of families needing housing. It has abandoned the housing repair program.

Every priority of this government was abandoned when it abandoned the Core Area Initiative. It is a tragic loss for Winnipeg. It is a warning for other cities and a national disgrace for this country.

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GLENGARRY TRANSPORT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, on May 10, 1991 Glengarry Transport or GTL, the flagship of Glengarry and one of Canada's largest trucking companies, closed its doors permanently, laying off 1,800 employees.

Needless to say, with the office of GTL being in Alexandria, Ontario, many of its employees are my constituents. Older GTL workers were told by the government that they could qualify for benefits under the Program for Older Workers Adjustment, or POWA, once their unemployment benefits ran out.

This business has been closed for 11 months. UI benefits have run out and now POWA benefits have not been approved. Last week I was told by Labour Canada officials that the approval for this application would not occur at least until November of this year, some 18 months after the closure in question.

I call upon the Minister of Labour, and especially on his provincial counterpart in Ontario, to proceed with this application forthwith and to take the necessary steps to give my constituents their benefits.

* * *

AGRICULTURE

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, the agriculture industry has seen numerous set-backs over the past year at the hands of its support industries. This is again the case as a strike by clerical workers at the Alberta Wheat Pool's Vancouver office continues to cause a shut down of the Alberta Wheat Pool terminal.

This strike must be resolved now, and any potential for future future strikes must be eliminated. The economic prosperity of agriculture and this country must be allowed to succeed.

* * *

STANTON YELLOWKNIFE HOSPITAL

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the barbaric practice at the Stanton Yellowknife Hospital of performing abortions with no anaesthetic is gaining national attention.

The procedure leaves women writhing in pain, increasing the possibility of error on the part of physicians. Eighty-three women have said that they underwent this torture at the hands of ill-informed doctors. Unfortunately the Northwest Territories has no College of Physicians and Surgeons to discipline the doctors who

are unnecessarily hurting women and punishing them for sexual activity.

I want to assure hospital officials and the Government of the Northwest Territories that hospitals and clinics elsewhere in Canada always use general or local anaesthetic for this procedure. No anaesthetic for this painful procedure is simply bad medical practice and will not be tolerated.

* * *

[*Translation*]

CHILD POVERTY

Mr. Allan Koury (Hochelaga—Maisonneuve): Mr. Speaker, many Canadian families feel the recession and the number of children living in poverty remains unacceptable for the federal government.

The federal government is using the resources at its disposal to reach the most disadvantaged. Besides supporting child care services under the Canada Assistance Plan, the government has introduced a child benefit that will give children much more and that is intended to improve the situation of low income working families. Resources will be increased to address the needs of vulnerable children.

* * *

[*English*]

FISHERIES

Mr. Jim Fulton (Skeena): Mr. Speaker, unless action is taken very quickly, there will be a salmon war of dangerous proportions on the west coast this fishing season.

The United States served notice at our embassy in Washington that it will now violate the Canada–U.S. salmon treaty. Last year, it overfished Fraser River bound sockeye by 510,000 and it plans to do it again this year.

This will force B.C. fishermen to target U.S. bound coho and chinook on the west coast of Vancouver Island. This is at a time when these stocks are already at risk from overfishing by the U.S. As in any war, the original violation will be forgotten in the uproar from California, Oregon and Washington over the harvest of U.S. bound fish by Canada.

This is a basic political issue. The Americans have been allowed to rob our transboundary stocks despite the treaty. Now they plan to rob the Fraser. This is best stopped now while there are stocks to save on the west coast of North America and a treaty worth the paper it is written on.

* * *

FISHERIES

Hon. William Rompkey (Labrador): Mr. Speaker, we all applaud the actions of those fishermen and boats from Newfoundland and Labrador that made a gesture on behalf of Canada yesterday.

The Minister of Fisheries and Oceans said that he would like to take his responsibilities and take control of the nose and tail of the Grand Banks. I ask him now to do that, to take his responsibilities and exercise control over the nose and tail of the Grand Banks.

It is not enough simply to get control of the fish. Once he gets control, I ask him to allocate quotas fairly because the two co–ops on the Labrador coast have been consistently denied a quota of offshore fish, even though those fishermen live close to the resource and depend on it historically.

There must be fairness built in the system for Labrador fishermen.

* * *

BOSNIA–HERCEGOVINA

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, the situation in Bosnia–Hercegovina is deteriorating. The Serbian–Cetniks are intimidating the ethnic minorities, particularly Ukrainians around the Prnjavor region.

Father P. Ovad from the Ukrainian Catholic Church in Bosnia–Hercegovina indicates that thousands of the minorities have had to leave their properties at gunpoint and are being subjected to physical violence including rapes, beatings, mutilations, assassinations and forced labour.

These human rights violations are being done under the auspices of the Serbian government in Belgrade and the Yugoslav army, the purpose of which is to resettle these territories with Serbians and to achieve a greater Serbia.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister.

We are delighted the government has finally agreed it is essential to consult Canadians on the Constitution and realize that the Constitution does not belong to politicians or to bureaucrats but to the people of this country.

I want to ask the Prime Minister whether he will confirm in the House that the Minister of National Health and Welfare was speaking on behalf of the government this morning when he announced there would soon be a referendum bill before the House.

Right Hon. Brian Mulroney (Prime Minister): I did not hear the minister's statement this morning, Mr. Speaker, but the government's position is the one I expressed when I said the following:

[*English*]

"That is what the right hon. member for Yellowhead and I and the rest are working so hard on. We hope and we expect that we will succeed in that initiative". That is the initiative that involves the provinces. "Should we not be able to, then I would want to examine with the leaders of the House other alternatives. At the appropriate time, that could be a number of things".

We are pursuing the activity with the provinces and hope to succeed, but should that not be successful. I will of course consult at an appropriate time with the leaders of the House and we will take appropriate action on behalf of Canada.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a supplementary question of the Prime Minister.

Would it not be more appropriate at this time to make it a policy of the government that it will consult the people of Canada rather than the possibility of a referendum as a club over the head of the premiers?

If we recognize that the Constitution belongs to the people of Canada, why not come clean with the people of Canada and say that at last they will decide what kind of constitution we will have in Canada and every Canadian will have something to say about it?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, the government has been on the record since the throne speech with regard to consultation with the public. We intend to honour that undertaking. We will be indicating at the appropriate time how that will be done.

If I may, I want to correct what may be a misunderstanding that the Leader of the Opposition has about the agreement that was reached between myself on behalf of the federal government and the provinces and territories when we met on March 12. We are all committed to a best efforts attempt to get an agreement among the governments as to the constitutional position that we should take forward and that can resolve the several urgent issues facing Canada.

• (1420)

It is understood by the premiers and by the territories that if that process does not work, there will then be a requirement for the federal government to take its own action. That is understood by the premiers, understood by the territories, and no one believes that there is any threat hanging over the head of provincial or territorial governments. That is not the way we operate.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to direct a question on the same subject to the Minister responsible for Constitutional Affairs.

Last night, while I was watching television, I was glad to see—for the second time—a commercial sponsored and paid for by the government with taxpayers' money, which said that the Beaudoin–Dobbie report was a very good report. I thought that was very interesting, but how can the minister explain to Quebecers that the government is using taxpayers' money to promote the Beaudoin–Dobbie report when the day before yesterday the minister of defence said that the report was unacceptable?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think the Leader of the Opposition guessed wrong again.

Some hon. members: Oh, oh.

Mr. Mulroney: He did. If I am not mistaken, the commercial does not say the Beaudoin–Dobbie report is a good report. The text of the commercial explains the contents of the report for the benefit of Canadians and Quebecers, so that Canadians and Quebecers will be able to make up their minds.

The House leader mentioned that I said the Beaudoin–Dobbie report was excellent. I did, but that is not what the Leader of the Opposition just said.

[*English*]

The House leader of the Liberal Party is suggesting that we are misstating the case. I suggest that the Leader of the Opposition has inadvertently misstated the fact that there is no such publicity being put forward. What is being put forward is explanatory publicity so Canadians can make up their minds about Beaudoin–Dobbie.

My mind is made up. I think the Beaudoin–Dobbie report is very good for Canada. I think that Canada itself does not need Beaudoin–Dobbie. I think it stands on its own. But I am ready to improve it with Beaudoin–Dobbie and anything else.

[*Translation*]

Hon. André Ouellet (Papineau—Saint–Michel): Mr. Speaker, my question is directed to the Prime Minister. He seems to be having trouble justifying the extremely cavalier attitude taken by his minister of defence. I do not think there is any doubt in anyone's mind in Quebec that the Prime Minister and his minister of defence do not see eye to eye on this very important matter concerning the constitutional proposals being offered to Quebec.

Government sponsored advertising to announce the highlights of the Beaudoin–Dobbie report is what we in the opposition consider a very positive gesture. But we do not understand—and that was the question—why the Prime Minister continues to tolerate in his cabinet a minister who has dissociated himself completely from the government's position in this respect.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Beaudoin–Dobbie report is not a government report. It is not government policy, although as a member of this House, I personally approve of the report. It is a report by a parliamentary committee that will be examined by the government—in fact, by governments. At the appropriate time, the government will present a plan that will be actively supported by all ministers, starting with the Minister of National Defence.

The hon. member for Papineau—Saint–Michel is astonished to see differences of opinion on constitutional matters, between me and the Minister of National Defence, for instance. Was he equally astonished when he was a great supporter of Meech Lake and the Leader of the Opposition was a fierce opponent of the accord?

[*English*]

Hon. André Ouellet (Papineau—Saint–Michel): Mr. Speaker, I think the Prime Minister makes a major mistake here. I want him to tell us why he is so desperate to play politics with the future of this country.

The credibility of the government is so low that in order to clinch a constitutional deal that will be acceptable all across Canada, he and his party need the support of the Liberal Party of Canada and the New Democratic Party of Canada. He should stop playing politics the way he is playing them.

I want to ask the Minister responsible for Constitutional Affairs a very simple question. Canadian Press quoted the minister of health as saying this morning: "It is logical that a referendum is one of those options of the government, so you have to look at a bill on a referendum in June".

I want to know from the minister if the legislation is ready and whether or not this legislation should be tabled in this House as urgently as possible. Certainly, if the legislation is ready and since our party has been advocating it for a long time, we would be most co–operative to pass the legislation immediately. Why does the government not come forward immediately with such legislation?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have already indicated to the Leader of the Opposition that the Minister responsible for Constitutional Affairs is working very hard to obtain a successful

resolution of this matter with the provincial premiers, as he is called upon to do pursuant to the application of the constitutional provisions of 1982.

I indicated yesterday that is our position. We hope and expect that these efforts will succeed. I think the best way in a federation to achieve success would be in full co-operation with the provincial governments.

I indicated that should we not be able to do so then I would want to examine with the leaders of the House other alternatives in this regard. That is of course what we would propose to do.

If the very challenging efforts of the Minister responsible for Constitutional Affairs should prove to be unsuccessful over the next five or six weeks, then at an appropriate time we would come to the House with some suggestions as to how we might be able to convey to the people of Canada the options that are there.

One thing is absolutely certain. Should we encounter a wall that would paralyze the activity, and with the clock ticking elsewhere, we will not sit idly by and allow damage to be done to Canada without allowing Canadians themselves to make determinations about their well-being, the future of this great country, and how they want to keep it together.

Mr. Lapierre: Call an election.

Mr. Mulroney: My hon. friend says in the background, in the Bloc Quebecois: "Call an election". By the time we call an election, but that is not for now. Now they do not want a referendum because they know they are going to lose a referendum because if you ask Quebecers whether they prefer independence or a united Canada, they will say a united Canada 10 times out of 10, and the Bloc knows it.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Yesterday the Prime Minister hinted that the process in place to resolve the constitutional debate, the negotiations among the federal, provincial and territorial governments, could fail.

I would like to ask the Prime Minister why the government now thinks that failure is possible. Is there some evidence that the Prime Minister can share with this House? Will the Prime Minister tell Canadians what worries him and makes him perhaps less optimistic?

Right Hon. Brian Mulroney (Prime Minister): No, Mr. Speaker, We hope and expect that the minister's efforts will be successful in this regard. But we are realistic and we realize that problems can arise when you are dealing with some ten governments.

• (1430)

We are just saying that although we hope to succeed, should we not be able to, we would come before the House to consult with the leaders of the political parties that believe in Canada on valid ways to consult the people of Canada.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Prime Minister.

The Prime Minister said earlier today that a referendum is one of the options. I think it is clear to all of us in this House that Canadians want to see leaders coming together if at all possible.

Would the Prime Minister be prepared to go to the people with a referendum without the support of the premiers and perhaps without the support of this House? What would that offer look like and who would formulate the offer that would go to the Canadian people?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the offer would look as silly as the question of my hon. friend.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I thought it was a fairly logical question for the Prime Minister. It simply asked who would formulate the offer and what kind of consultation there would be with the Canadian people in a referendum.

I would like to ask a further question about the proposed referendum. The Minister responsible for Constitutional Affairs has often said that a referendum may be used at some time to confirm a national consensus. The Prime Minister is saying that he would not be dealing with the premiers because that process has failed, but that he would force a constitutional resolution through a referendum.

Whether it is before a referendum, during a referendum or after a referendum, under the Constitution of Canada the premiers must be involved. Is the Prime Minister trying to force a consensus on the premiers or is

he trying to build a consensus among Canadians in this country with the premiers who will have to make a final decision?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think the Minister responsible for Constitutional Affairs has made that very clear. He has been working non-stop. I think that all members of all parties in this House will recognize his enormous commitment to the unity and the well-being of Canada and will applaud him for his unremitting efforts to secure that ongoing unity.

My hon. friend knows that to bring this about, the minister is following the constitutional prescription of 1982 in meeting with the provincial governments and in seeking to secure their agreement for constitutional amendments. That is the way it has to be. We are going to continue to deploy every effort.

We did not indicate that we were expecting a lack of success. We indicated that we were anticipating success, not because we plan to force a consensus on the premiers, but because we expect that the premiers are sufficiently mature and intelligent themselves, which they are, to realize the enormity of the challenge facing Canada and that they will want to put water in their wine and make honourable compromises to keep Canada together.

If the position is going to be, by every government leader, me, myself and I, they may achieve their own point of view but Canada will fail. The object of the exercise is to make sure that Canada succeeds. That is the commitment of the minister, that is the commitment of this government and I am sure that is the commitment of everybody in this House of Commons with the exception of a couple in the back row.

* * *

[*Translation*]

TRADE

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is directed to the Minister for International Trade. Since the free trade agreement was signed, the United States has not stopped violating the spirit of the agreement. Now a bill in the Massachusetts legislature would again violate it by taking direct aim at the way Quebec and Hydro Quebec manage their borrowing. This morning, we just learned that six other states might do the same.

Besides a mere letter, what real pressure will the government apply to support Quebec in its struggle to safeguard the spirit of the free trade agreement?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, what the hon. member has referred to is something that does concern us very much. These proposed actions, taken by state legislatures, could have the effect of boycotting Quebec Hydro bonds. That is something that could well be contrary to the free trade agreement. We have been in touch with members of the Massachusetts legislature on this. We propose to follow this matter very closely and take whatever action is necessary to put forward our rights under the free trade agreement in order that this should not happen.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, this is really part of a much larger problem. In an agreement between countries, not only the letter of the law but the spirit that underlies it is equally important. This is all the more true in an agreement as sloppily negotiated as was the U.S.-Canada Free Trade Agreement.

Canada is being hammered not only by Washington, but by individual states that are going off on tangents of their own; California in terms of the exports of natural gas from Alberta and now we see Massachusetts and six other states in terms of Quebec bonds, and through a concerted attack on Canadian owned business as a result of a flagrant misuse of buy American policies.

These issues are not going to be resolved by the dispute settlement mechanism or by simple letters to state legislators. They are destroying the very spirit the government claims was inherent in the free trade agreement.

What specific measures is the government going to undertake to protect Canadians?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is overstating the position. We have expressed concern about this. We do not like what is happening. But for my hon. friend to cast a blanket condemnation of every action that is taken and saying that this is completely counter to the spirit and the

rules of the free trade agreement, is wrong when he says that.

We have taken actions under the free trade agreement to protect our rights. We have to respect the fact that the U.S. may want to as well.

On this particular issue we fundamentally disagree and we are going to make that point known. We will take every action possible to ensure that we protect our position on that.

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FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. Yesterday's pathetic spectacle of the minister's disembodied voice spewing some sweet assurance to the fishermen, while in the comfort of his flying machine he flitted around in circles above—

Mr. Speaker: Just a moment. I am sure the hon. member would like to put his question.

Mr. Simmons: I say that spectacle won the point better than he knows. Jobs are being lost, fish stocks are being ravaged while the chicken goes around in circles with its head cut off.

What fishermen need from this minister is more than just lip service, they need some indication, some proof from him that he is not afraid in and out of cabinet to advocate the only way out of this dilemma, the takeover of the management of those straddling stocks.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, yesterday I went 1,500 miles to show my support for our Newfoundland fishermen and for our flotilla.

A week ago last Thursday the hon. gentleman would not go 500 yards to show his support at the standing committee on fisheries when the meeting was called to deal with this very issue. The hon. gentleman and none of his colleagues were there. I will go 1,500 miles and you will not even go 1,500 yards to show your support.

Some hon. members: Oh, oh.

Mr. Crosbie: With respect to what we were doing, I want to congratulate Atlantic Airways, the provincial airline that is supplying the service that gives us the best surveillance and enforcement system in the world in the northwest Atlantic. It is a superb service which I checked out yesterday and can verify myself.

I flew over 12 Spanish ships, two Canadian patrol vessels, one European Community patrol vessel, one Coast Guard vessel and seven Canadian vessels in the flotilla and passed on to them our best wishes and our unremitting efforts to help them in the struggle to establish a proper conservation policy.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, what he did not mention was that the plane allowed him to avoid taking the boat and his Gravol pills.

• (1440)

If he is talking about miles and yards, when will he go the few hundred feet from his bench to the cabinet room and sell the idea of a takeover of the management of stocks because only today the European fisheries commissioner says that only a trifling amount of fish is involved; that he doubts Canada's sincerity very much.

Is this not proof that the minister's message is not getting through to Mr. Marin or to the gentleman who looks after constitutional affairs sometimes? Is it not true that the minister is not getting his message through and that his campaign of information is a flop? Is it not time to focus on this issue so we can get on to his other disasters, his mismanagement and give—

Some hon. members: Oh, oh.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I usually have to take my Gravol pills when I watch the hon. gentleman opposite ask questions. That is when.

Some hon. members: Oh, oh.

Mr. Speaker: Well, it is getting awfully hard to help. Perhaps the minister could answer the question.

Mr. Crosbie: With respect to what we are doing, today, for example, we are supporting and have made preparations for Premier Wells to visit the UNCED conference in New York to help pursue our resolution on the straddling stocks. We are prepared to work with anyone who is prepared to work with us.

What we are not prepared to do is to pretend to the people of Newfoundland and Canada that there is some quick, easy solution to this problem. There is no quick, easy solution, but we are going to pursue every avenue open to us.

Mr. Marin, the commissioner for fisheries in the European Community in his statement today certainly did not indicate that his conscience has been pricked at all or that the community is going to take any effective action. We will be looking to the international community to shame the European Community into observing their responsibilities as international citizens, to stop this overfishing and we will work with anyone, including the hon. gentleman to accomplish that objective.

* * *

TRADE

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister for International Trade, who knows that the February 21 draft North American free trade agreement text in article 1401 lists non-energy pipeline operations for unrestricted cross-border use.

Since Canada has no legislative prohibition on large scale exports of water and a number of corporations already hold rights to massive volumes of Canadian water which they would like to export to the United States, and could through article 1401, can the minister assure this House that the final NAFTA text which would override all Canadian legislation and policy on water exports will contain specific wording prohibiting large scale water exports from Canada through non-energy pipelines as can be done now under article 1404.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me state categorically that there has not been under negotiation nor will there be under negotiation any provision for the large scale export of water. What my friend has said and what his leader has done is to take, quite out of context, a definition of non-energy pipelines.

Non-energy pipelines can be used for coal slurry, for other non-energy related natural gas uses and those types of transportation have to be defined under the terms of the North American free trade agreement.

To take the big leap that my hon. friend and the leader of the New Democratic Party have made of saying that automatically means that there will be large scale exports of water is totally ridiculous. He knows it and she knows it because they both know that it is contrary to the policies of the Government of Canada.

Mr. Jim Fulton (Skeena): Mr. Speaker, so far as I am aware, coal is an energy, but that just, once again, reveals the level of assurance we get from the Minister for International Trade. I will put my supplementary question to the Minister of the Environment who claims to be doing an environmental assessment of NAFTA as it goes along.

I would like to ask the minister in his responsibilities for water export policy and legislation a very simple question to which he can give a very direct answer. Is it the minister's understanding of the present text of the North American free trade agreement that Canadian water could be exported through non-energy pipelines? Yes or no?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, the Minister for International Trade just gave a very clear answer. The Government of Canada has a policy and we intend to respect it.

* * *

[*Translation*]

EXTERNAL AFFAIRS

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister. We are wearing yellow flowers today as a sign of solidarity for the family of a Montreal grandmother, Henriette Haddad, who has been held in Lebanon for nearly seven years. Mrs. Haddad's family is in Ottawa today and wants to ask the Prime Minister a question directly.

Given the inaction of his minister of external affairs, would the Prime Minister be prepared today to take on the case of the only Canadian hostage still held or missing in Lebanon?

[*English*]

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, as the hon. member knows, this file has been thoroughly reviewed by me. I

would be very happy to share it with the Prime Minister but I can assure the hon. member and the Haddad family that it has been reviewed. Much of it is public, nearly all of it is public in terms of the actions that have been taken on behalf of the Haddad family and on behalf of Mrs. Haddad.

This government will continue as it has in the past to show sympathy for the family and to follow any leads that we have that will lead to a satisfactory conclusion by way of information if it is forthcoming or to find out exactly what happened.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Haddad family is not looking for sympathy. They are looking for action.

Yesterday in this House the Secretary of State for External Affairs continued to insist against all evidence to the contrary that Mrs. Haddad had not been a hostage.

Last night on national television we saw two ministers of the Lebanese government state categorically that she was a hostage.

The fact is that this 66–year old Montreal grandmother has been held for more than 2,000 days, possibly in Lebanon. We do not know whether she is still alive.

Given the seriousness of the situation and as he has done in other cases, will the Prime Minister personally intervene and contact the President of Lebanon? Will he let him know that the Canadian government is taking this issue to heart and that the Canadian government recognizes Mrs. Haddad is a Canadian being held hostage and deserves our support and our help?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think my hon. friend is quite right. Mrs. Haddad does deserve our full support and our help. That is what the Government of Canada has been doing through the Secretary of State for External Affairs.

We have conveyed to the Government of Lebanon our view throughout that Canada's efforts ought to be assisted fully by all authorities to the extent that they exist in that very troubled land.

We have received the kind of assurances on which the minister of external affairs has based her previous statements.

Ms. Copps: The minister is wrong.

Mr. Mulroney: My hon. friend says the minister is wrong. I suppose she may be. Anything is possible.

The minister has given full and complete assurance to the hon. member, to members of the House and to the Haddad family regarding everything she knows and the Government of Canada knows, and everything that we have done and would be ready to do to assist Mrs. Haddad and her family.

Maybe my hon. friend knows something we do not know because she just said we are wrong. She may be right. I would be happy to meet with my hon. friend to get this information, but I can tell her and the Haddad family that the government takes this extremely seriously. We have done what we think is just about everything that a government can do. If there is more that we can do, we will.

I want to assure the House that the minister for external affairs has personally kept me informed, has informed the cabinet on a regular basis, and has done quite a tremendous job in defending the interests of Mrs. Haddad and the Haddad family.

This is not to say that we cannot improve and if we can, the Government of Canada certainly will.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, also to the Prime Minister on the same question.

Yesterday the minister for external affairs said the government had done everything possible in this particular case.

• (1450)

But last night we learned that the Canadian government officials never contacted the family of the man abducted with Mrs. Haddad. The government officials never spoke to other hostages who had been taken hostage and who had been with Mrs. Haddad. Canadian government officials never spoke to the last people in Lebanon who had seen Mrs. Haddad. So not everything was done.

I would like to have a commitment from the Prime Minister that he and his government officials will do everything possible, will do what other countries have

done to support their citizens who have been taken hostage.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, first of all, the Prime Minister has assured the House and the family that that is exactly what we are doing and will do.

We followed up at the time under very chaotic circumstances in Lebanon in any way that we could with the means that were available. We did not have an embassy in Lebanon for quite some considerable time as other countries have not.

I want to assure the hon. member as well that missing persons are very important to us. What is important is that when people go missing, whether they are hostages or not, they deserve the full support of their government.

It is the fact that they are missing and that they have disappeared that is of primary concern to us. We have followed up through groups in Lebanon and through the Lebanese government now that it has reformed. Those things have not lead us to any additional conclusions.

I am quite prepared to backtrack on all of those meetings that we have had and to talk to people again. If there is new information we will continue to follow new leads. I cannot do more than that.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, now the United Nations and the special representative of the United Nations, Mr. Picco, will go to Lebanon to intervene in the case of Mrs. Haddad.

I want to ask the minister if she and her officials in the Canadian government will give Mr. Picco, the representative of the United Nations for hostage taking matters, their full support and the support of the Canadian government on this matter?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, as the hon. member knows, Mr. Picco has a list of a number of individuals who are listed as missing in Lebanon.

Not only does he have our full support, but we also provided him with some considerable information. I raised the matter with him directly myself. The answer to the hon. member's question is of course, yes.

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LABELLING

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a question for the Minister of National Health and Welfare.

In his announcement yesterday on the government's fight against alcohol, the minister made no mention of actions to prevent foetal alcohol syndrome, one of the leading causes of child retardation and behavioural problems in Canada.

Since both the Government of United States and the Government of Yukon already require that warning labels be prominently displayed on alcoholic beverages warning of the severe consequences of drinking during pregnancy, will the government take this positive step and require such warning labels throughout Canada?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I know that foetal alcohol syndrome is an issue particularly in British Columbia. It was raised at times when I was in the province.

What I have to say is that any alcohol consumption represents a threat, particularly for pregnant women and it has to be known as such. That is why we are working with the provinces, and particularly in his own province with community organizations to develop awareness about the consumption of alcohol.

I can say that it is working because it is well supported. We are not yet ready, however, to determine any commitment in terms of labelling because we believe that it still has to be studied. That is what we are doing in the department.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a supplementary for the same minister.

The minister knows that the only opposition to warning labels comes from the brewers and distillers. Since the government has already said that Canadian borders will be open to beer, both interprovincially and internationally, will the government recognize the health consequences as well as the commercial consequences of its actions, and require national, uniform warning labels on all alcoholic beverages?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I said that we recognize the problem of consumption of alcohol, particularly for pregnant women.

The question he raised would normally be considered by the Minister of National Health and Welfare because so far British Columbia is the only province where that issue has been raised in Canada, but discussions at the health minister level are wanted. If there is a unanimous position by the ministers of health in Canada to do something about it, we will certainly consider their recommendation.

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THE CONSTITUTION

Mr. Garth Turner (Halton—Peel): My question is for the Minister responsible for Constitutional Affairs.

Last September the Government of Canada said it was in favour of entrenching property rights in the Canadian Constitution. Is that still the government's position?

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Mr. Speaker, as the House knows, the government had proposed the entrenchment of property rights. That was discussed in public hearings across the country. There was not a great deal of support evident in those public hearings, and that recommendation did not receive the unanimous support of the House in the report of the special joint committee.

The matter is still being considered by ministers in the meetings that will commence again next week. At some point in that process we are going to have to reduce the constitutional agenda to those items which can command enough support to be carried into the Constitution.

I would hope that Canadians who are interested in the question of property rights would make their views known quickly to all governments as we get into these next stages of the constitutional discussions.

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PACKAGING AND LABELLING

Mr. David Bjornson (Selkirk—Red River): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

As the House knows, the Department of Consumer and Corporate Affairs is spending a great deal of time in forcing packaging regulations by Canadian manufacturers while ignoring the enforcement of the same regulations on imported goods.

Could the minister please tell the House if he is considering shifting the efforts of his department to the enforcement of Canadian regulations on imported goods?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I thank the hon. member for his question. It is a very important issue and we recognize that.

With my colleague, the Minister of National Revenue, since 1989 we have enforced a joint team at the borders to look after that issue. Mislabelling is important to us. We are doing everything we can to make sure that the regulations which apply to Canada also apply to the Americans and to people from other countries.

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NATIONAL DEFENCE

Mr. George S. Rideout (Moncton): Mr. Speaker, my question is for whoever is speaking for the Minister of National Defence.

Three weeks ago the Minister of National Defence said he was cancelling the promised $100 million supply depot in Moncton for budget reasons. On Thursday the minister announced a $10 million expansion at another site.

Three weeks ago we did not have any money and now we have the money. If it was not economically feasible three weeks ago, why is it now suddenly politically feasible? Are there two pots of money or is there a double standard?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, as the minister indicated in the House last week, what we have proceeded with is a consolidation of our supply operations throughout Canada. We have taken the existing five depots and consolidated them into two. That will result in an annual saving of approximately $35 million. That obviously is consistent with the requirements that our department has to help reach the deficit reduction requirements.

I might add that the facility in Montreal will not be built by the government. It will be built by the private sector and arranged on a lease back basis to the government. Subsequently we will still continue to have the savings of $35 million per year.

Mr. George S. Rideout (Moncton): Jeffrey Simpson just recently said in an article on defence: "When it comes to budget cutting political requirements invariably come first".

Mr. Speaker: I wonder, given the time, if the hon. member could put his question.

Mr. Rideout: Mr. Speaker, it is amazing that the government would respond on the basis that the supply depot in Downsview should be consolidated with the one in Montreal, when all the internal reports indicate that it should have gone to Kingston. The same information is available for Moncton.

Why is the government playing politics with national defence and with the lives of employees at the Moncton supply depot?

• (1500)

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I can assure my hon. colleague that I know all these decisions are difficult. Indeed many people indicate that we should do further rationalization of our infrastructure. We recognize that changes have to be made to meet the realities of today.

I would like to advise the member, though, that when we looked at the total Canadian scene, the rationalization of depots throughout the country, it made more sense to establish them and maintain them in Edmonton and to work with the existing facilities in Longue Pointe, Montreal, rather than to establish any new Greenfield operations, which I think the hon. member would agree would not have made any logical sense.

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CORE AREA INITIATIVE

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the Prime Minister. Yesterday the Core Area Initiative program in Winnipeg died. The pallbearers were the federal and provincial Tories. What a national disgrace.

Why did this government refuse to renew funding for this program which has helped some 3,000 inner city Winnipegers find jobs? Why did this government again turn its back on Winnipeg, one of the poorest cities in Canada? Why did—

Mr. Speaker: The hon. member has put his question.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I would like to tell the hon. member that it had been agreed to end core two, which ended yesterday, at the end of the fiscal year. There was a lot of overhead. We want to have an agreement between the city of Winnipeg and the province of Manitoba on funding that is now being used by the Government of Canada, for example, in training of especially aboriginal people in Winnipeg to give them the kind of training they need so that they can integrate into the job market.

It is better for us to spend the money for training and for those people than to maintain something that has now ended and which was agreed to end by all three levels of government.

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PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of hon. members the presence in the gallery of Dr. Peter Tancig, Minister of Science and Technology of the Republic of Slovania.

Some hon. members: Hear, hear.

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POINTS OF ORDER

CLARIFICATION OF REMARKS

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I rise on a point of order to clarify a point I made in response to the member for Skeena and pursuant to a matter that the leader of the NDP had raised.

Non-energy pipelines can include coking coal, other minerals, chemical feed stocks, and non-petroleum based gases as well as oil and natural gas. I wanted to make that clear so that there would be no misunderstanding whatsoever about the import of my answer.

Mr. Jim Fulton (Skeena): I rise on the same point of order, Mr. Speaker. Did the minister say that non-energy pipelines are for gas, oil, coking coal, and chemicals? If that is so, what are the energy pipelines for?

Mr. Wilson (Etobicoke Centre): Mr. Speaker, coking coal is not energy. Other minerals are not energy. Non-petroleum based gases are not energy. These are the uses that non-energy pipelines can be put to.

Mr. Fulton: Mr. Speaker, my question of privilege relates to statements made by the member for Cariboo—Chilcotin. They are rooted in citation 64 on reflections on members and citation 92 on interfering with—

Mr. Speaker: Just a moment, I wonder if the hon. member is here. I would say to the hon. member for Skeena it is customary on a question of privilege that involves another member to ensure that the other member is here when the point is being made. That is a courtesy which has been extended for many years across the Chamber.

I wonder if the hon. member could just perhaps quickly check to see whether the hon. member for Cariboo—Chilcotin is here, and I will come back to the hon. member.

STANDING COMMITTEE ON FORESTRY AND FISHERIES

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I rise on a point of order. Earlier this afternoon in Question Period the minister of fisheries, in response to a question by my colleague, the hon. member for Burin—St. George's, intimated in his answer that the Liberals were not in attendance at the meeting of the Standing Committee on Forestry and Fisheries on March 19 which discussed overfishing.

I wish to correct that by saying that the member for Cardigan, the member for South West Nova and myself were present at that meeting throughout those discussions. The meeting was called as a result of the efforts of the member for Burin—St. George's. He was unavoidably detained and made arrangements for us to represent him and his colleagues at the standing committee on fisheries.

I say this to correct the impression left by the minister of fisheries that we are not concerned with that very serious issue when indeed we are.

Speaker's Ruling

POINT OF ORDER

BILL C-63—SPEAKER'S RULING

Mr. Speaker: On Monday, March 30, 1992, the hon. member for Cape Breton—East Richmond rose on a point of order relating to the omnibus nature of Bill C-63, an act to dissolve or terminate certain corporations and other bodies. During consideration of this matter, the hon. members for Kamloops, North Island—Powell River, Ottawa—Vanier and the parliamentary secretary to the government House leader also made contributions. The Chair is grateful for their interventions. I have reviewed the matter and am now in a position to rule on the procedural arguments made against this bill.

The purpose of this bill is to wind down six government corporations or agencies: the Canada Employment and Immigration Advisory Council, the Canadian Institute for International Peace and Security, the Economic Council of Canada, the International Centre for Ocean Development, the Law Reform Commission of Canada, and the Science Council of Canada. The hon. member for Cape Breton—East Richmond has objected to this bill because it is asking parliamentarians to pronounce themselves on several important issues in one single question. He has argued that the bill lacks relevancy in so far as its substance is not linked to its long title, and argues further that it would be extremely difficult to debate six principles at second reading or to move amendments at report stage.

Before addressing each of the issues raised by the hon. member, it would be useful to briefly review what an omnibus bill is. As I mentioned in my ruling of June 8, 1988, there is no precise definition for omnibus bills; the most exact definition the Chair could find and agree with is that given by the hon. member for Windsor West, which is found at page 15880 of *Hansard* for May 30, 1988:

> The essential defence of an omnibus procedure is that the bill in question, although it may seem to create or to amend many disparate statutes, in effect has one basic principle or purpose which ties together all the proposed enactments and thereby renders the bill intelligible for parliamentary purposes.

Clearly one of the purposes of omnibus bills is to group together multiple statutory amendments so that discussion in the House may be focused. As the government House leader in his former role as opposition critic explained on March 1, 1982 at page 15482 of *Hansard* in relation to the Canada post office bill:

> —(Bill C-42) amended 14 other statutes to make them consistent with the new statute dealing with the post office. It is clear that grouping these is an aid, not a hindrance, to proper parliamentary discussion and decision.

[*Translation*]

Although omnibus bills are sometimes welcomed by both sides of the House, several objections have arisen to their use.

[*English*]

The hon. member for Cape Breton—East Richmond identified a number of them. He argued that the long title of Bill C-63 should properly indicate the purpose of the bill—that is to say, the termination of specific agencies—by naming the affected acts, thus establishing the relevancy between the different sections of the bill. To illustrate the lack of relevance between the various sections of the bill, he quoted from citation 626 of Beauchesne's sixth edition:

> Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of a bill. They must be relevant to and subject to the umbrella which is raised by the terminology of the long title of the bill.

[*Translation*]

In response, the parliamentary secretary to the government House leader argued:

> The umbrella of this particular legislation was made very clear in the budget. It indicated very clearly that the government planned to dissolve or terminate a number of corporations and other bodies for a central theme, being the ability to cut government expenditures and, therefore, as much as possible relieve the burden on the Canadian taxpayers—.

[*English*]

As to the question of the long title, I wish to refer all hon. members to my ruling of June 8, 1988 on page 16257 of *Hansard*:

> A further point raised—was the insufficiency of detail in the long title of the Bill because it did not list all of the statutes being amended therein. Hon. members might wish to consult Dreidger's *The Composition of Legislation, Legislative Forms and Precedents* for information on this point—On pages 153 and 154 there is an explanation of Canadian practice as it relates to long titles, which clearly demonstrates that every Act being amended need not be mentioned in the title—If hon. members feel, however, that such a course is necessary, I suggest that they should proceed by way of amendment and not by a decision of the Speaker to reject the Bill.

The principal objections of the hon. members for Cape Breton—East Richmond, Kamloops, and Ottawa—Vanier are that this bill espoused six principles dealing with this disparate elements such as employment and immigration, ocean development, science policy, economic issues, and so on. They contend that it would be difficult to debate the full complexities of the affected areas at second reading and to come to a single decision. To this general argument, we can turn to the reply of Speaker Lamoureux on January 23, 1969 at page 618 of the *Journals*:

> The vote on second reading is less a vote on the principle of the bill and more a decision of the House to send the bill on for further consideration at subsequent stages of proceedings. If this interpretation is correct, it seems it should be even less difficult for honourable Members to vote either for or against the main motion, since such vote would not constitute either approval of, or opposition to, the principle of the several propositions contained in the omnibus bill.

In a lengthy ruling on May 11, 1977, Speaker Jerome brought greater explanation on pages 5522 to 5524 of *Hansard*:

> —there can be no doubt that a motion containing two or more substantive provisions is quite distinct from a procedural motion or a motion which is generally described as having only the effect of dealing with the progress of a bill. The practice in respect of substantive motions has never been extended to those motions which relate to the progress of a bill. The use of the omnibus amending bill is well enshrined in our practices, and I really can find no reason to set aside my predecessor's very clear and sound reasoning, or the practice. Nor can I find any authority which would support an order of the Chair at this second reading stage that the bill be divided—

This still leaves, as it has in the past every time this kind of argument has been put forward, some very deep concern about whether our practices in respect of bills do in fact provide a remedy for the very legitimate complaint of the hon. member that a bill of this kind gives the government, under our practices, the right to demand one decision on a number of quite different, although related subjects—

I think an hon. Member of the House ought to have the right to compel the House to vote on each separate question—

Therefore, while I carefully guard the specific rulings on the contradiction between the principles of the bill and the motions that might be put forward until the actual stage arises, because we are speculating as to what the cases may be, it seems to me in advance that in a bill of this sort—a member ought to be able, if he wishes, to attempt through motions to delete under Standing Order 75(5) to

isolate those sections which he feels ought not to be amended or that ought to be voted upon separately, without offending the principle of the bill. I think that would give the hon. member and other hon. members an opportunity that they should enjoy, to put their position on the record, which I think ought to be known, and also to require others in the House to vote in respect of that position.

In the same vein, Speaker Sauvé also expressed her opinion on June 20, 1983 at page 26538 of *Hansard* in this manner:

[*Translation*]

Thus, although some occupants of the Chair have expressed concern about the practice of incorporating several distinct principles in a single bill, they have consistently found that such bills are procedurally in order and properly before the House.

[*English*]

The Speaker of the Canadian House of Commons has not been given any specific authority over the form or content of omnibus bills. From time to time, suggestions have been put forward by the Chair on how hon. members may voice their positions on various sections of omnibus bills. As Speaker Jerome indicated, for example, report stage motions to delete certain clauses may be one way of proceeding. As I stated on June 8, 1988 at page 16257 of *Hansard*:

Until the House adopts specific rules relating to omnibus bills, the Chair's role is very limited and the Speaker should remain on the sidelines as debate proceeds and the House resolves the issue.

In conclusion, under the circumstances I cannot accept the objections made to this bill to divide or set aside the progress of Bill C-63, an act to dissolve or terminate certain corporations and other bodies.

I thank all hon. members for their contribution.

Mr. Dingwall: Point of order, Mr. Speaker. Very briefly I want to thank the Chair and Table for returning back to the House so expeditiously and giving us a ruling with regard to Bill C-63.

Mr. Speaker: I appreciate very much the comments of the hon. member for Cape Breton—East Richmond. Some of these questions are not easy and they require a lot of work. I think that all members who have to work on these judgments very much appreciate the thanks and appreciation extended by members.

The hon. member for Skeena. We are returning to the hon. member's question of privilege.

PRIVILEGE

COMMENTS OF MEMBER FOR CARIBOO—CHILCOTIN

Mr. Jim Fulton (Skeena): Mr. Speaker, the hon. member for Cariboo—Chilcotin is present in the House. The question of privilege that I raised arose originally from his remarks of March 13 and have been carried on since then.

I would draw your attention to Beauchesne's Parliamentary Rules and Forms, sixth edition, citation 64 on "Reflections on Members", and citation 92 on "Interfering with Members" which says:

92. A valid claim of privilege in respect to interference with a Member must relate to the Member's parliamentary duties and not to the work the Member does in relation to that Member's constituency.

I believe that—

Mr. Speaker: I wonder if I could just get some clarification here and then I will hear the member out. Were these comments made outside the Chamber?

Mr. Fulton: They were. The most recent remarks were made outside the Chamber and I can in fact come to them very quickly.

The issue arose on March 13 in a statement made by the member for Cariboo—Chilcotin which I and I believe the Chamber believe that he subsequently withdrew on March 25 and put an end to it. That resulted from a point of order that I raised and that you reserved on. As I said, the member rose on March 25 and apologized to the House thereby, I believe, withdrawing the remarks from the record.

On March 26 I publicly thanked the member for that apology. A letter was in fact published yesterday in the newspaper in his constituency. However, the newspaper in his constituency quotes him yesterday, March 31, 1992, in the Williams Lake *Tribune* on the front page where it suggests that the member has now moved the attack on the Library of Parliament. It says and I quote: "Worthy is upset at the use of the parliamentary library and has sent a letter to the Speaker of the House, John Fraser, asking him to look into the matter. They used the library of the

House in an improper manner. It's a dirty fight by Skelly and Fulton".

The member is fully aware because I have stated it in this House and I have stated it outside of this House that I did not get the parliamentary library to prepare the paper. I said so in a letter which appeared yesterday in the newspaper in his own constituency which says: "Contrary to Mr. Worthy's statement I did not commission the parliamentary library to prepare a research paper on share groups in B.C. Contrary to Mr. Worthy's suggestion that I criticized share groups in the paper, the paper was researched by a professional at the Library of Parliament and I had no input in the paper whatsoever nor am I quoted in it. One would think Mr. Worthy would have checked this out before raising it in Parliament as a personal attack, but he didn't. My respect for him is restored by his apology in Parliament". That was run in his own newspaper.

The reason that I raise this, is that this is not solely a personal attack, not only on myself but on the member for Comox—Alberni, but it is in fact an attack on part of the institution of Parliament. It in fact affects my parliamentary duties, not in relation to my constituency of Skeena, but in my capacity to be involved in issues in the entire environmental field in my home province of British Columbia where the member is suggesting that somehow I and another member of this House made an improper use of part of this House. In fact, I had no role to play whatsoever in the preparation or whatever of the paper that was prepared by the parliamentary library.

I do not think it is an appropriate kind of statement to leave on the public record, either that members were making improper use of the library or that the the Library of Parliament is somehow involved in some kind of improper activity.

I seek one more time some clarification from the member and from the Chair. Mr. Speaker, as you know, I am perfectly capable of carrying on thee kinds of things outside the House, but I do it to protect the privileges of all members in this House.

• (1520)

Mr. Speaker: I will hear the hon. member for Cariboo—Chilcotin in a moment.

The withdrawal that the hon. member for Cariboo—Chilcotin made in the House was with reference to a comment he had made concerning the hon. member for Skeena, but that comment was made in the House. The hon. member is signifying agreement to that.

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, I am glad the hon. member brought this up as a question of privilege because it gives me a chance to get this on the House record, which I was having difficulty doing.

My apology the other day was because I misused statement period to make a statement that could be construed as an attack on the hon. member. That was a misuse of the statement period, and for this I apologized.

My primary concern is for the people I am trying to defend, the people who are under attack. It is the grassroots people, the workers, cattlemen, mayors, aldermen, people who belong to the share groups of British Columbia who have been subject to what they consider to be a severe and unfair attack by two members of this House.

I did write a letter to the Speaker and I hope there will be some action. I do not accuse the Library of Parliament of being in the wrong. I am questioning what I consider to be the misuse of the Library of Parliament by two members .

The document produced by the library, sent out with an accompanying letter by these members, implies things about this document that I do not think are there. They are misusing a document produced by this House.

I also have some concerns abut how this researcher in the library was able to arrive at the conclusions, but that is a subject matter I have asked the Speaker to enter into. I have not seen the article in the paper. The member did not advise he was raising this point of privilege, so I had no chance to prepare for it.

The same day I stood in this House to indicate my mistake in using the statement period, I was telephoned by a newspaper because it had already received the letter from the member. I was asked what the situation was and I stated it.

If you look at the documentation I have, it indicates that the two members are, in what appears to be a fairly methodical manner, trying to impugn grassroots people belonging to the share groups throughout British Columbia. I think it is a terrible thing for members to do. I will continue to do the best I can to defend the share groups from what I consider to be an improper attack and improper use of the facilities of this House.

SPEAKER'S RULING

Mr. Speaker: The hon. member for Skeena has raised a matter which he agrees took place outside of this Chamber and the hon. member for Cariboo—Chilcotin has responded.

There are two aspects of this. The first is whether or not the comments made outside the House affect the privileges of the hon. member who is complaining. On any careful analysis of what privilege is, one will note that the act or comment complained about must either in fact diminish the rights and the ability of the member of Parliament to carry on his or her duties or potentially do that.

The hon. member for Skeena has indicated to the Chair and to the House that he is more than capable of handling debate outside the House, and that is so. If I was to allow privilege in this case, I would have to be saying that this debate which is taking place between himself and the hon. member for Cariboo—Chilcotin outside the House is somehow impinging on his privileges and his ability to carry out his duties as a member of Parliament. I do not think we can go that far. As a consequence, I will have to reject the hon. member on the question of privilege.

There is another point here. That point has been alluded to by the hon. member for Caribou—Chilcotin. It apparently concerns the content of a paper written by an official in the Library of Parliament. The hon. member has brought that to the attention of the Chair by separate letter, not through this particular application this afternoon, and I am considering that matter.

I want to point out, first of all, that the librarian is not an officer of this House; the library is an administrative service of the House of Commons. The research papers are produced by the Library of Parliament. I think all hon. members would agree that it is a very extensive service indeed to which a great many members refer. Certainly I would think it is probably the view of members here that over many years the service that has been given to us by the Library of Parliament has been absolutely splendid and given us a great deal of assistance in doing those things which we must do as members of Parliament in the public interest.

However, I will look at this particular matter and I will respond to the hon. member for Caribou—Chilcotin. In the meantime, for any of those who have been listening or watching this, this really is an argument that is taking place outside the Chamber. The withdrawal that took place the other day was a withdrawal, as the hon. member for Caribou—Chilcotin has again stated, of improper words relating to the hon. member for Skeena made in this Chamber. At that time, of course, I thanked the hon. member for his courtesy in doing that. In fairness, the hon. member for Skeena has publicly commended the hon. member for that withdrawal. The rest of the debate they have to do the best they can with.

As I say, on the question of the paper, I will try to see if there is some resolution and some assistance that can be given in this matter by the Chair.

I thank both hon. members for their courtesy in the interventions today.

ROUTINE PROCEEDINGS

[*English*]

WESTERN ARCTIC INUVIALUIT CLAIM IMPLEMENTATION

1990–91 REVIEW

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, under the provisions of Standing Order 32(2), I have the honour to table, in both official languages, copies of the 1990–91 Annual Review of the Western Arctic Inuvialuit Claim Implementation.

* * *

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to nine petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

HOUSE MANAGEMENT

29TH REPORT OF STANDING COMMITTEE

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I have the honour to present the 29th report of the Standing Committee on House Management concerning votable items arising from Private Members' Business.

Pursuant to Standing Order 92(2), this report is deemed to be adopted when laid upon the Table.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

PETITIONS

THE CONSTITUTION

Mr. George S. Rideout (Moncton): Mr. Speaker, it is my duty to present a petition, pursuant to Standing Order 36, in which people from the Moncton area are petitioning this Chamber, asking that a referendum be held on all constitutional matters.

CRIMES OF VIOLENCE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I have here over 150 petitions and several thousand signatures from people in my riding of Hamilton Mountain, from all over Ontario, from Nova Scotia, Prince Edward Island and other parts of Canada.

I would like to add these to the over 350,000 signatures I have already personally presented from citizens who feel that there are serious deficiencies in the criminal justice system.

They are calling upon this government to recognize that crimes of violence against the person are very serious and abhorrent to society. They ask this government to further amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

IRAQ

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, I have the honour to present a petition in the House today that relates to the conflict between the United States and Iraq.

The petition relates to recent statements by the President of the United States that he is considering bombing Iraq if it does not follow United Nations' policies.

The petitioners would have the House of Commons and the government condemn the statements of the President of the United States and urge the government to work toward diplomatic solutions to the problem.

HOUSING

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have the honour and the privilege to present a petition signed by about 150 residents of the city of Hamilton who are expressing their dismay at the fact that the government caved in to the Reformers in their caucus who demanded an end to the co-op housing program.

These people are calling on Parliament to recognize housing as a shared provincial-federal responsibility, to support the federal non-profit co-operative housing program and to maintain Canada Mortgage and Housing Corporation.

EXTERNAL AFFAIRS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour to present a petition which is signed by hundreds of residents of Burnaby, Rosewood, Langley and a number of other communities in British Columbia, as well as Sackville, New Brunswick and other New Brunswick communities, which points out that two Canadians, Christine Lamont and David Spencer, who have been sentenced to 28 years each in a Brazilian prison have suffered miscarriages of justice, cruel and unusual treatment in Brazilian prisons, and discrimination in sentencing and parole. They point out that the only relief which is available from this harsh punishment is for Canada to request expulsion in accordance with Brazilian law.

It therefore calls upon Parliament to urge the Secretary of State for External Affairs to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to their homes in Canada.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, the following questions will be answered today: Nos. 234, 238 and 264.

[*Text*]

Question No. 234—**Mrs. Campbell (South West Nova):**

Have our negotiators at the GATT indicated specific areas which may adversely affect Canadians after the GATT is signed and, if so, what is the list of specific adversities?

Mr. André Plourde (Parliamentary Secretary to Minister for International Trade): No. It is not possible to pinpoint specific areas or sectors within the Canadian economy which may be adversely affected by the Uruguay round trade negotiations because the level of tariff/non-tariff barrier reduction has not yet been agreed on a product or sectoral basis.

The expectation of our negotiators is that whatever depth of barrier reduction is agreed in specific areas—and indeed Canada is pressing for barrier elimination in a number of resource and advanced technology sectors of export interest to it—every effort will be made to ensure that the changes will be introduced gradually so as to permit Canadians to take advantage of and to adjust to the new market conditions.

Question No. 238—**Mr. Mifflin:**

What is the per capita defence spending by province for each of the years 1970 to 1991?

Hon. Marcel Masse (Minister of National Defence): It should be noted that figures are unavailable for 1970–71 (the methodology for capturing Department of National Defence spending by province was changed in 1971) and for 1991–92 (the current fiscal year is not yet complete).

DND PROVINCIAL EXPENDITURES PER CAPITA (IN DOLLARS)

PROVINCE	70/71*	71/72	72/73	73/74	74/75	75/76	76/77	77/78	78/79	79/80	80/81	81/82
Newfoundland		24.65	31.14	34.87	39.04	41.86	48.13	53.58	54.30	56.21	64.22	74.01
Prince Edward Island		148.54	181.55	213.86	235.11	280.08	308.21	291.06	291.67	301.54	321.80	338.32
Nova Scotia		299.36	357.29	385.33	413.83	469.21	512.52	539.14	590.60	599.03	705.55	736.32
New Brunswick		129.72	152.79	168.61	165.31	200.85	211.91	218.60	237.11	230.25	263.41	262.34
Quebec		62.50	55.10	57.96	64.44	78.82	82.69	90.38	100.78	100.81	117.98	146.84
Ontario		79.67	82.80	94.29	102.50	124.92	141.92	140.18	145.17	160.88	177.16	218.35
Manitoba		91.67	96.48	107.96	119.52	139.90	148.32	160.02	167.49	182.26	206.39	255.23
Saskatchewan		30.11	33.76	38.52	44.02	54.67	57.35	60.99	64.51	68.39	75.31	75.51
Alberta		83.52	101.41	114.37	123.59	145.80	151.67	135.22	138.96	149.03	150.99	162.29
British Columbia		73.56	87.69	96.31	108.11	123.09	128.81	131.39	141.38	142.20	150.99	172.15
Yukon		.76	.65	8.27	7.29	2.50	29.64	17.45	9.94	10.67	15.43	24.10
Northwest Territories		108.71	122.25	183.70	193.50	179.36	379.32	334.84	322.54	336.55	424.47	386.07

* Not available.

DND PROVINCIAL EXPENDITURES PER CAPITA (IN DOLLARS)

PROVINCE	82/83	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92*
Newfoundland	81.88	92.14	113.10	131.17	216.90	182.35	217.00	165.00	260.00	
Prince Edward Island	354.17	734.44	549.91	547.18	692.24	484.33	469.00	406.00	356.00	
Nova Scotia	840.59	898.04	1082.33	1110.05	1423.11	1111.30	1082.00	1082.00	1217.00	
New Brunswick	306.02	506.78	532.14	467.48	573.50	1347.68	1270.00	1006.00	1050.00	
Quebec	168.88	166.40	179.31	181.59	180.92	285.70	263.00	284.00	316.00	
Ontario	226.24	269.74	297.01	303.01	321.99	374.06	388.00	417.00	420.00	
Manitoba	258.96	282.31	328.55	334.36	397.07	369.51	418.00	462.00	471.00	
Saskatchewan	82.77	119.55	128.73	130.25	151.96	96.32	92.00	107.00	121.00	
Alberta	178.26	235.11	271.19	266.88	318.50	255.78	285.00	273.00	304.00	
British Columbia	199.73	222.80	254.07	265.91	305.12	260.07	260.00	291.00	287.00	
Yukon	46.26	62.15	69.39	66.80	43.87	92.16	67.46	78.43	114.94	
Northwest Territories	527.97	691.52	697.45	438.53	559.10	132.42	258.62	321.36	464.68	

* Not available.

Question No. 264—**Mr. Mifflin:**

In consideration of all national defence expenditures in Canada, what is the per capita expenditure by province and territory for each of the years 1980 to 1992?

Hon. Marcel Masse (Minister of National Defence): Information requested has been provided in response to Question No. 238 answered this day.

Figures are unavailable for 1991–92 as the fiscal year is not yet complete.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Mr. Speaker, I ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY, S. O. 81—COURT CHALLENGES PROGRAM

Mr. Jean-Robert Gauthier (Ottawa—Vanier) moved:

That this House call upon the government to restore the Court Challenges Program.

He said: Mr. Speaker, the motion is simple and straightforward and, I believe, makes it incumbent on the House to consider this matter.

Since 1978, the Court Challenges Program has made it possible for a number of private citizens and minority groups to have their constitutional rights clarified before the courts. Supported over the years by all political parties, the program has been an essential factor in the constitutional development of language rights. I am thinking of section 133 of the Constitution Act, 1867, section 23 of the Manitoba Act, 1870; and since 1982 the Charter of Rights and Freedoms and sections 16 to 23 on matters that are vital to this country, section 15 on equality rights, section 27 on multicultural heritage, and, finally, the equality of men and women, as guaranteed under section 28.

In its report tabled in the House in 1989, the Standing Committee on Human Rights and the Status of Disabled Persons, consisting of members of all three political parties in the House, was unanimous in recognizing the fact that this program was important, effective and indispensable, and recommended that the government extend the program until the year 2000.

Initially the program was funded by the Department of the Secretary of State, in co-operation with the Department of Justice. I was here in 1977 when the program started, as a result of the Forest case in Manitoba. The program's administration was later transferred in 1985 to the Canadian Council for Social Development, under an agreement with the federal government. This agreement expired in July 1990.

At the time, the Secretary of State announced that the program would be administered by the Human Rights Research and Education Centre of the University of Ottawa, for a period of five years until 1995. When it announced the termination of this program in the budget, the government broke its contract with the centre and the program's staff.

[*English*]

From 1985 to February 27, 1992 the program financed about 250 cases, 77 of which were about linguistic rights. The program is at the origin of the most significant rulings in the interpretation of our Constitution on linguistic rights and equality rights.

Speaking of equality rights, I want to pay special tribute to our critic, the member for Saint-Laurent—Cartierville, who cannot be here today. She is in hospital. We would like to send Shirley our best wishes.

Looking at the rulings of the Supreme Court of Canada, one could mention the Manitoba appeal on legislative bilingualism in Manitoba, the Mahé ruling on school administration in Alberta, the Swain ruling on the rights of mentally handicapped people, the Tétreault-Gaboury ruling on the rights of people 65 years and older and the Canadian Newspapers Company regarding the confidentiality of victims of sexual abuse.

This program helped Canadians clarify their rights. I know that the majority does not like sometimes to be told by the courts that it is not as generous, as open, as caring as it should be or as the Constitution of this country accords Canadians.

[*Translation*]

As official languages critic for the Liberal Party, Mr. Speaker, I could give you a list of all the cases funded by this program and heard by the courts. I must say the program was extremely helpful in clarifying these issues.

There have been a number of letters and other forms of communication from private citizens and organizations across the country, protesting the termination of this program. One expression of concern came from the *Association culturelle franco-canadienne de la Saskatchewan*, in a letter to the Prime Minister dated March 4, 1992. and I quote:

> Universal access to the courts to defend our basic rights—one of the pillars of Canadian democracy—has vanished, which is a matter of utmost concern.

• (1540)

Another quote from the Federation of Francophone and Acadian Communities of Canada to the Prime Minister dated March 16, 1992 said:

> We have had to take almost all provincial governments to court for them to stop humiliating us and depriving us of our schools.

Another one is an editorial in *Le Droit* dated February 3, 1992:

> The Court Challenges Program was the best way that minorities and a whole range of disadvantaged groups had to protect themselves from the continual abuse of various levels of government.

Another quote is from the Association of French School Boards of Ontario, dated March 31, 1992, yesterday:

> If the Court Challenges Program is not reinstated, the government will have sealed the fate of minority language rights and it will be possible to violate them with impunity, and the official-language minorities will be unable to challenge such action in court.

On March 9, 1992, the Canadian Bar Association wrote:

> It seems ironical that this program was cancelled on the day before the Beaudoin-Dobbie Report was published, since this report deals with challenges to equality rights and the rights of linguistic minorities.

[*English*]

The press release of the Canadian Rehabilitation Council for the Disabled of March 2, 1992 stated:

> Cancelling the Court Challenges Program and cutting Canada Mortgage and Housing Corporation's co-operative housing program will make it more difficult for people with disabilities to achieve equality within the existing system.

The Hon. Bertha Wilson, former judge of the Supreme Court of Canada in her letter to the Minister of Justice on March 4, 1992 stated:

> I have on numerous occasions publicly expressed the view that it is totally illusory to confer rights on people who do not have the means to enforce them and I assumed that the expansion of the Court Challenges Program following the advent of the Charter of Rights and Freedoms was an effort to address this problem.

An editorial in *The Ottawa Citizen* of March 3, 1992 stated:

> If the program dies, it will be for the very reason it was born—the disadvantaged who need help aren't a powerful lobby.

We can only openly lament, given the support, the statements of the people I have quoted and the recommendations of the House of Commons Standing Committee on Human Rights and the Status of Disabled Persons, that the decision by this government is unfortunate and the reasons given to date have been totally unsatisfactory to say at least in my view not at all plausible.

Can it really be said that the program was too expensive for the taxpayers when we consider that between 1985 and 1992 an average of $625,000 per fiscal year was spent to support these cases? This represents a very reasonable sum given the size of the federal government's over-all spending.

Furthermore, have we really come to the point where we are putting a dollar value on the preservation of the fundamental rights of people to get their linguistic rights clarified? Have we come to the stage in this country where disadvantaged groups, be they socially or economically unable to go to the courts because they cannot afford it, then I say we have a serious case of collective examination of our own consciences to do.

The facts clearly show that every province without exception, Mr. Speaker—and I could quote a series of cases in every single province of this country but time being of the essence I cannot do that—has been taken to court, either because they were hostile to giving linguistic minorities their rights or indifferent.

It is unacceptable in this country today that we give for a reason to the people of Canada for abolishing this program that we say we cannot afford it. It is not a costly program. Thanks to this program these rights have been clarified and affirmed. Some of them still need to be clarified and affirmed, notably by the courts and possibly by the Supreme Court of Canada.

There is still much to be done to complete this interpretation of our laws, of section 23 for example. The Right. Hon. Brian Dickson, someone for whom I have great respect, said in the Mahé ruling that this is only the beginning and the courts have a lot of work to do.

As well, the relevant sections of the Canadian Constitution are far from being clarified by the courts. I do not remember it exactly but I think the Americans say: "A constitution is a living tree".

The consequences of abolishing this program would be harmful to Canadians. Even if individuals and groups of individuals finance their own cases in front of the courts the judicial method remains very slow and very expensive. Further, even if the rulings of the Supreme Court of Canada are not followed up in many cases the groups or the individuals must return to the courts and sometimes restart the process. This would result in a heavy burden on them.

They are not rich, but they are proud Canadians. This program addressed their individual rights as Canadians.

[*Translation*]

Litigation in Canada, especially if it goes as far as the Supreme Court, is extremely expensive. Without the Court Challenges Program, what will parents and parents' groups and official language minorities do if they want to have their constitutional rights recognized? Will they have to hold bazaars, bingos and bean suppers to raise the necessary funds? How many fundraisers will they have to hold to collect the $35,000 needed to start a case or the $5,000 it takes just to have lawyers look into the possibilities? Canadians must be able to say that in Canada, recognition of basic rights is everyone's business and not just the affair of the rich. In many cases, no money means no rights. We know that saying.

However, the Conservative government promised Canadians many times that it would keep this program and we believed it. I would like to quote the Minister of Multiculturalism and Citizenship, who said on May 10, 1990: "We believe that this program has an important role to play in helping to clarify some provisions of the charter. Therefore extending the program reaffirms the government's commitment to advancing human rights in Canada."

[*English*]

In August 1984 the Prime Minister said before the Coalition of Provincial Organizations of the Handicapped: "A Progressive Conservative government will financially assist under the charter of rights all cases deemed to be of national importance. Cases involving the rights of the handicapped and disabled would certainly fall in this category".

[*Translation*]

I would like to quote the Prime Minister again. This quotation will be longer, but I think that it will be useful. "We will keep the present Court Challenges Program, which helps individuals and groups seeking to obtain a court decision on contentious points relating to language rights under the Constitution Act, 1867 and the Charter of Rights and Freedoms. We will consult members of minority groups and other interested persons to ensure that the Court Challenges Program is both well designed and effective". This is from a letter that the Prime Minister wrote to the Federation of Francophones outside Quebec on August 14, 1984, when he was Leader of the Opposition.

I have as many quotes and letters we could want. I know that time is pressing and I cannot read them all. Government members have told Canadians time and time again that they would maintain this program. They said they would. We believed them, but they did not keep their word.

• (1550)

Some of us feel the government has borrowed the agenda of the Reform Party. I can hear members saying: "Come on, Jean-Robert". Now listen to me. The Reform Party has never had time for minorities. It does not believe in multiculturalism. It does not believe in bilingualism. Anyone who abolishes the programs and mechanisms that enable multicultural groups and minority language groups to defend their rights before the courts are wrong. This is not the way Canada was built, and it is not the way we want this country to go on.

I say that by taking a leaf from the Reform Party's program they are out of line with the social and economic realities of our country. We will not let the rights of Canadians be violated. That is why I have asked the government to reinstate the Court Challenges Program immediately.

In the current constitutional context, we are talking about creating collective rights as well as individual rights. We are on the verge of creating a new concept that is neither well known nor easy to interpret: collective rights. What are collective rights? When I talk about self-government for aboriginal people, that is a collective right. When we talk about education rights for minority communities, which may be English in Quebec or French outside Quebec, that is a collective right. Section 23 of the Charter concerns collective rights. It is a difficult concept. Distinct society, whether we like it or not, more or less defines a collective right.

By terminating a program whose purpose was to clarify these new individual rights and possibly clarify these collective rights, the Conservative government is not acting sensibly. I intend to do everything I can, together with my leader, who originated the program. I say this because he was there. He was Minister of Justice when the program was established.

A Liberal government will respect the rights of women, aboriginal people, the disabled, language minorities and other minority groups. As I said, I will work very hard to reinstate a program that will reflect our respect for the many facets of Canadian society. I am making a personal commitment, and I believe I have the support of my entire caucus. I even have a letter I sent yesterday to the Prime Minister, signed by practically all members I was able to contact. I could not get in touch with the member for Saint-Laurent—Cartierville, because she is in hospital, and a few other members are outside the country, but everyone I approached in my caucus, including the chairman of a standing committee of the House, the member for Oxford, and the NDP critic, signed this letter which quite simply asks the government to extend the Court Challenges Program.

In conclusion, I urge the government to do its job, to make good on its many promises and to reinstate as soon as possible a program that we truly need here in Canada, one that makes Canada a wonderful country, one of the only countries in the world where these constitutional rights can be defended before the courts. We cannot stop now.

[*English*]

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, I want to begin by joining the hon. member for Ottawa—Vanier in wishing good health and speedy recovery to the member for Saint-Laurent—Cartierville. She is indeed a good friend of mine and a good friend of all those who fight for equality and minority rights across this country.

I would like to thank the member for the manner in which he clearly laid out the issue and the comprehensive understanding which he has brought to it. Certainly his defence of the rights of official language communities and minorities from coast to coast has been vigorous and effective throughout. During the time I had the privilege and pleasure to work the official language file with the hon. member as my critic I always knew I could count on his full participation. Certainly he was very helpful in rendering the program fully accountable.

I hope that whatever progress we made was a result of the strength of the partnership we had.

I would like to spend a few minutes responding to the motion of the hon. member for Ottawa—Vanier. I think it is fair to say at the outset that my hon. colleague and I, and indeed all of us in this House, recognize the contribution that the Court Challenges Program has made to this country.

It is also fair to say that by any measure the Court Challenges Program has been a successful program.

[*Translation*]

We must also admit that this program is absolutely incomparable. Nowhere else in the world, be it in the United Kingdom, the United States, Europe or elsewhere, does a government give its citizens the financial resources to challenge its own laws, practices and regulations and to ensure that they are applied fairly and equitably.

[*English*]

This is a singularly Canadian enterprise, a made-in-Canada program. Canada alone conceived this policy. Canada alone drafted the terms of the program. Canada alone implemented those terms with results that had and will continue to contribute to the development of social policy over the last decade and a half and into the future.

On this point we do not differ. However it should also be acknowledged that it is this government that has spent more than any other government in supporting this type of program. Our contribution has been unprecedented. This is a legacy of which all of us can be justifiably proud, more so than any other party in this House.

Perhaps it would be useful at this point to briefly review the genesis and evolution of the Court Challenges Program. Established in 1978, its initial purpose was to provide financial aid for the preparation and defence of test cases intended to clarify language rights under the Constitution Act of 1867.

After the adoption and proclamation of the Canadian Charter of Rights and Freedoms in 1982 the government of the day expanded and updated the program so that litigants would be provided with sufficient funds to challenge federal and provincial legislation pertaining to the equal status of official languages and minority language education rights.

That essentially applied to sections 16 to 23 of the charter.

Some three years later, in April 1985, section 15 of the Canadian Charter of Rights and Freedoms came into effect. Shortly thereafter, in September of that same year, this government again broadened the application of the challenges program.

These reforms provided funding for cases to test federal laws, policies, and practices based on the equality clauses of section 15, the equality of sexes clauses of section 28, and the multiculturalism clauses of section 27 when used in conjunction with arguments based on section 15.

At the same time the government decided to give the administration of this program, which until then had been the responsibility of the Department of Secretary of State, to the Canadian Council on Social Development, an independent agency.

[*Translation*]

We thus ensured that decisions on funding—what cases to choose as precedents, what groups or individuals to finance, what amounts to pay—would be made as they should always have been made, completely independently, without government interference. The evaluation of applications for financial assistance was entrusted to independent boards established by the council.

• (1600)

[*English*]

When the program was renewed for another five years in 1990 administration was transferred to the Human Rights Research and Education Centre located at the University of Ottawa. During these years funds were committed not only to bring test challenges to court but also to conduct research and impact studies, to launch interventions and to monitor case developments.

In fact, in the years since 1985, some $8.5 million was allocated to groups or individuals seeking to clarify the language and equality provisions of the charter.

Since its inception in 1978, some 264 have been granted funding by the program, 99 involving language rights and 165 involving equality rights. Many of these were landmark cases.

Consider for example Bilodeau *v.* The Attorney General of Manitoba in which the Supreme Court of Canada ruled that the Government of Manitoba should be required to translate into French all of the laws it has passed in the English language only. All of us understand the importance of this case in the defence of francophone rights.

Or consider the Canadian Disability Rights Council *v.* Canada in which the trial division of the Federal Court declared unconstitutional and without force or effect and in violation of section 3 of the charter, a provision in the Canada Elections Act that for many years had deprived Canadians with a mental disability of the right to vote.

Consider too the case of Canada Employment and Immigration Commission *v.* Tétreault-Gaboury in which the Supreme Court ruled section 31 of the Unemployment Insurance Act inconsistent with section 15 of the charter.

The effect of section 31 was to remove applicants age 65 or older from the normal benefit plan and to provide them with a single lump sum retirement benefit amounting to three times the weekly rate to which they would otherwise be entitled.

[*Translation*]

And the list goes on. I am thinking, for example, of the Ford case in Quebec, the Mercure case in Saskatchewan and the Mahé case in Alberta. All these important decisions were made as a result of challenges financed by the program.

[*English*]

These, of course, are only a few of the 68 significant and historic decisions rendered by the courts between 1978 and March 1991 as a direct result of the funding provided by the Court Challenges Program.

During those years this program enabled the legal system to adjudicate an extremely broad range of human rights issues, including the rights of prisoners, aboriginal Canadians and the disabled, and discrimination based on age, gender, sexual orientation, citizenship, race, ethnic origin, marital and economic status.

In giving voice to this motion, my hon. colleague from Ottawa—Vanier is essentially recognizing the importance the Court Challenges Program has made in the fight for equality, equality of race, equality of gender, equality of language and equality of access.

These values lie at the very core of the department it is my privilege to administer. Let me say frankly that one must always guard against the impulse of complacency and acknowledge that there is more to be done.

Nevertheless, let me say that I am proud of the progress we have made on any number of fronts to bring Canadians of all cultures and origins into the very centre of life in Canada. It opens up the country to their talent and energy, their ingenuity and creativity. It helps to break down the barriers that have been constructed, to assist persons with disabilities to have full and equal access to mainstream society, to wage war on our most implacable enemies, racism, bigotry, discrimination and illiteracy.

It is citizens, human beings, who build nations and civilizations, not governments. However my department, the Department of Multiculturalism and Citizenship will continue through all of its programs to support this crucial human endeavour.

Times are what they are. There is no escaping current realities. This government cannot simply evade or blindly shirk its fiscal responsibilities.

The economic climate in Canada today is very tough. It is tough everywhere and it requires equally tough responses, decisions that will not and cannot always be popular or welcomed.

Our resources are finite. Our resources are stretched. Everyone knows that. With the resources that are available, we must prioritize. We must make hard choices. Across Canada today everyone is being forced to make hard choices.

Now it is true that the Court Challenges Program was never intended to provide perpetual access to minority and equality groups seeking to challenge federal legislation in the courts or to underwrite their efforts.

It is true that the role and activities of such groups is often already supported by existing government programming including the women's program, the disabled participation program and by a host of other initiatives, not only in the Department of Secretary of State, but also in the other departments.

There are initiatives designed to combat racism and discrimination and to promote official languages and equality rights. That is the centrality and the importance of why we established a full Department of Multiculturalism and Citizenship to make certain that equality was there in fact and not only in law, the equal opportunity to participate fully for all of our citizens.

It is true that these other programs will continue to be funded by this government and encouraged and actively promoted. Some elements of the Court Challenges Program, some research and public education may still be eligible for federal funding.

All commitments of court cases made before the budget's main estimates which were handed down on February 27 will be honoured and processed at the level of court at which they were approved.

It is equally true that not all remedies to all wrongs need to be addressed or resolved in the halls of justice.

[*Translation*]

It is true that after taking nearly 300 cases to court, some of which will continue to be heard while the program is phased out, we now have a body of precedents in the field of official languages and equality rights.

[*English*]

All of those propositions are undoubtedly true. So where exactly does that leave us? It leaves us with a proposal by my hon. colleague that however well-intentioned, it is simply not realistic. I salute his purpose but I cannot endorse his motion.

Perhaps now is the time for the provinces to begin to play a role. Perhaps it is time for the Canadian Bar Association or for other legal organizations and social agencies, non-governmental bodies and institutions to step forward.

With the letters of support the member has been able to receive, I have no doubt that there may be a body or group of people very well prepared and interested in continuing to carry on the work in a shared or some other relationship.

What a wonderful opportunity we have today. I thank the member again for placing this important question before the House. We have the opportunity today to actually do some brainstorming and some thinking as members of Parliament, to examine what possible method can be found.

We certainly all recognize the benefit and the excellence of the program that had been in place. It is clear we cannot go backward. We cannot undo what has been done.

• (1610)

We have decided that this program has made its contribution. On this decision, there is no turning back. But surely we have it in our collective powers of creativity and imagination to find another way, one not necessarily funded by the federal government.

In this spirit, I invite hon. members of this House to devote a significant portion of this debate to exploring some of those possibilities today.

I look forward to being able to listen with great anticipation to all of the innovative and creative ideas that members have been hearing from their constituents. I hope in that spirit we can begin to construct something

that could be of benefit to the very issues that my hon. friend wants continued to be addressed.

Again, I thank the member for his concern and the dedicated manner in which he brought the issue forward today.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to ask the minister a question. He said that the time had come to move this Court Challenges Program to other levels, and he mentioned the provinces. In every case, the province was the accused, and to say that the provinces could take over is like putting the fox in charge of the henhouse. It makes no sense. This program costs each Canadian 10 cents a year.

[*English*]

Ten cents per year per Canadian and the minister cries economic tough times. We know that Tory times are tough times, but it is ten cents a year per Canadian for a program that helps Canadians to get their rights clarified before a court.

I say to the minister in all honesty that his argument does not convince me. I do not think he has convinced Canadians the reason he has given that it is economic tough times that have forced this program to be cut is appropriate.

I ask him very sincerely, is he not telling us that indeed this was done for ideological reasons rather than for economic reasons?

Mr. Weiner: Almost all my efforts in this past eight-year period as a federal member of Parliament and minister have been to help Canadians understand the benefit of having one level of citizenship, first class citizenship, the equality that we all believe to be in the law, which is not there in practice.

What I have done is I have tried in a very open and honourable manner in the creation of this department to make the centrality of our effort bringing forth partnerships, partnerships with Canadians from coast to coast in every one of the institutions they represent. In that way those institutions, once and for all, will get it through their heads that what we need is significant change. What we need is a change of attitude. What we need is an opportunity to participate.

How can you feel good about your citizenship if you are not included? How can you feel good if you do not have the same access to jobs, to housing, to the same income, if your young, dedicated, intelligent, young people, have no job offers?

What we have done very practically is we have taken almost all the resources of the new department and we have placed them to fight racism, racial discrimination. We have brought forward a program on integration and equality.

Now there is a consensus of people from coast to coast who are really recognizing the benefit of having this kind of program. Maybe it has been some of the public education and awareness. Maybe it has been the work of members from coast to coast. Because we have a consensus of opinion in this House which is very supportive of what we are doing.

In a survey, a very in-depth analysis last year by Angus Reid, almost 90 per cent of Canadians when faced with the most in-depth type of questioning of their attitudes recognized the need for that kind of programming and wanted it to continue to go on unabated.

So the accusation that there is something ideologically wrong, I can tell you that for me this is the opportunity to make the Canadian dream a reality, to give every one of our citizens that opportunity to participate fully, the human opportunity.

There are a lot of program areas beginning with literacy and going through to voluntary action, human rights, the racism and integration programs that we manage. With this particular program we have nothing to be ashamed of, nothing at all to be ashamed of. It has been an enormous success. It is at the backbone of promoting what we all wanted to do. The program has fulfilled its objectives.

It does not mean that it could go on forever. It does not mean that we had to have this kind of a program to the year 2000. I have said in this House in answer to the hon. member's questions that yes, we do have a significant body of jurisprudence. Whether we have enough or not is debatable. Whether others should perhaps want to participate in a new kind of creative programming, that I think is the excitement of Canada.

That is the kind of role I think Canadians may want to play from coast to coast, not necessarily to wait for the federal government to put everything on the table in a manner that it might not be able to afford in these particularly difficult times when far too many are hurting and are out of work.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, may I say right off that I admire the hon. minister. I think he has done good work for Canada's department. He is honest and straightforward but today is a very shabby performance. I almost would feel sorry for him, defending the indefensible if I did not know that there are other people I should feel sorry for, namely the people who are not going to be able to take advantage of this program.

He said the program is good, it is working. So why is he killing it?

I want to ask him this question because he said money is involved. The Court Challenges Program cost $2.7 million a year, is that not correct? The minister is nodding, $2.7 million. The government spends $870,000 on daily press clippings for the Prime Minister. Why does the government not cut that and put the money in the Court Challenges Program?

Mr. Weiner: I am not in the very important job of budget making. What I am in the process of doing is carrying forward in a most appropriate fashion a new department, with increased resources, new personnel from coast to coast, with a lot of ideas and excitement and a partnership of people who hope and pray that this will be their opportunity so that indeed when I set up a partnership with an institution, that that institution will once and for all recognize the diversity of Canadian society and allow them to participate.

We all have our priorities. We all would like to do exactly those things that we would want to do in life. This is a team effort. Budget making is a very difficult proposition.

I am thrilled that the former Minister of Finance is in the House with us today. This is not an easy job. This minister who is with us today took on a job that had to be addressed for some 65 years in this country. For 65 years we had a tax loaded on the backs of the manufacturing sector. We were constantly advised to make improvements, broaden the base, allow all Canadians to participate. He did that.

The current finance minister brought forward a budget at the end of February which did a lot of very effective trimming, a lot of belt tightening. Frankly it left my ministry in very healthy shape. I am very pleased that the word multiculturalism was not mentioned in a very prominent way on February 27.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, on February 27, the minister in reply to a question said: "There is now a solid base of jurisprudence for future years". A day later in reply to another question he said: "We have built up a certain amount of jurisprudence". Today he said: "It is debatable and perhaps much more needs to be done". I would like a clarification on that point.

Last, of the 264 cases, 165 on equality and 99 on language, could the minister inform the House how many of these cases were challenges to the government's position and how many of these cases were challenged by the government?

Mr. Weiner: I thank the hon. member for his attempt at clarification. Throughout I have used the words "a significant volume of jurisprudence". The hon. member can read my response in *Hansard*.

I will quote a response to an answer I gave the member for Hamilton Mountain: "Madam Speaker, as I said, the Court Challenges Program was an excellent program, a made-in-Canada initiative, to really examine the laws for their fairness, the equality in language laws that were in place. It has done that very fairly, but after almost 300 cases of jurisprudence have been established, one would imagine that we now have a significant volume of jurisprudence". This is the question: Is it significant or not? Did we not set into place something of great importance for this nation?

• (1620)

I would humbly request that with the strength of support from coast to coast, from the provinces, from the Canadian Bar Association, from jurists wherever they are and from community groups, I am expecting that at the end of this day there might be some very new and exciting creativity brought to this very important area.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise on behalf of the New Democratic Party to speak on this important motion.

I want in the course of my speech to deal with some of the issues that the minister raised. Why has the government cut this $2.7 million program, that in the minister's own words, the government's contribution was unprecedented and this was a most successful program. He said that it did its job. Well let us examine that. He said that the government cannot afford that. We will examine that as well.

Before I begin, I would like to quote to the minister from an article by Arthur Drache in *The Financial Post*, not a socialist newspaper. I leave this for the minister and for the former minister of finance, who is in the House, to listen to because it comes from a paper that normally supports his party. The article reads:

> While I felt the budget presented by Finance Minister Don Mazankowski was as good as could have been expected, there are aspects which I find troubling. In particular, I'd like to voice dissent for the decision to eliminate the Economic Council of Canada, the Law Reform Commission, the Science Council of Canada and, most strenuously, the Court Challenges Program.
>
> Removing these institutions from the Canadian landscape is a method of decreasing dissent and criticism of government policies. The net result will be that those who challenge policy have been deprived of quasi-official platforms and will be marginalized.

That is a serious charge. I say to the minister that he and the government have a serious problem on their hands. There is always one item, or maybe more, that stands out as being unreasonable.

How can the government say to the Canadian public that it has cut a successful program which a large number of prominent people, including a former judge of the Supreme Court of Canada says is absolutely needed, because it does not have enough money and then turns around and spends $870,000 a year for daily press clippings for the Prime Minister. It just will not wash.

I would ask the minister, if I could, what percentage the $2.7 million is in the budget of his department. I bet it is a pretty small percentage.

I happen to know, since I am justice critic for my party, the estimates of the Department of Justice and here they are: for professional and other services last year, 1991-92, $74 million. That is for hiring lawyers to go up against people in the courts for the Department of Justice. Next year it is going up to $89 million. The government could find $15 million for the rich lawyers but it could not find $2.7 million for the poor and the handicapped, the marginalized groups in this program. I say shame on the minister on this. This is a defeat for the minister. He should resign over this.

Look at what is happening to the judges in this country. How do you explain this to the people? The government has allowed the judges, who make $147,000 a year, to get a cost of living increase of 5 per cent so they will go up to about $155,000. At the same time, the government froze the salaries of the lower level civil servant. You take a woman, as a secretary and single parent, working in the—

Do not leave the House, Mr. Minister. Sit down and listen to the speech.

Mr. Weiner: Mr. Speaker, the hon. member has no business saying I was about to leave the House. If I want to stretch my legs in the lobby this is an opportunity. I do not have to ask his permission to get up for one moment. But I take it as an insult that he would even think I would leave the House while he was giving some very constructive suggestions.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would just repeat the old parliamentary rule that the presence or absence of a fellow member in this House should not be mentioned.

The hon. member for Port Moody—Coquitlam again has the floor.

[*English*]

Mr. Waddell: Mr. Speaker, I thought the minister was leaving. I am not speaking for myself, this is not personal, this is speaking for a lot of people who want the minister to hear this.

Let's look at the program. As the minister said, it started in 1978 as a program to fund language cases and

it was under the Secretary of State. The program continued in 1985 and was expanded to cover federal equality rights cases. It was under the same department. Then in 1990 the government put it under an independent organization, the Ottawa Human Rights Centre, which is at the University of Ottawa.

This was a good program. This has been a good minister, Mr. Speaker. This is the minister who brought in redress to Japanese Canadians. He will go down in Canadian history for that but he will also go down in Canadian history for ending the Court Challenges Program, which I ask the minister to have another look at. I am going to make some suggestions in a few minutes as to why.

The program has been declared a good program. The House of Commons Standing Committee on Human Rights and the Status of Disabled Persons conducted an examination in 1990 of the program and unanimously recommended not only its continuance, but its expansion. The most surprised person on budget night was the Conservative chair of that committee.

I have a letter before me from Bertha Wilson, the former Justice of the Supreme Court of Canada. She says: "I saw for myself when I was a member of the Supreme Court how invaluable this program had been to minority groups and to the disadvantaged. It has clearly been well and efficiently administered. The public has unquestionably received full value for its money".

How many government programs could you say that about? Could you say it about the Prime Minister's clipping service or sending his limo down to Costa Rica? Come on, this program is working. Three hundred cases have been funded through this program. The program has made a crucial difference in the most important equality and language rights cases to come before the courts. A maximum of $35,000 can be provided for a case at each level of court.

I have been a trial lawyer. That amount is peanuts. You should see the money that the government is spending, for example in the aboriginal rights cases in British Columbia, to fund their lawyers. They would take the whole program in a year.

Mr. Speaker, $2.7 million is not a large amount of money in terms of government expenses or legal expenses.

There is strong support from academics, from the Canadian Bar Association, from the media, all over the place, for this program. The question is this. Is there an alternative available? Well, we could have volunteer lawyers, but that is a hit and miss program, it is charity.

We could have the Canadian Human Rights Commission, but the human rights commission is responsible for the human rights act, not for the Charter of Rights and Freedoms.

We could have ad hoc funding, which the minister appears to suggest in different cases. But many deserving cases would be excluded. There would be duplication of cases, and it would cost the government more in the long run. That would mean the government would choose which cases to fund. That is the key it seems to me.

I would like to talk about some of the cases that the program has dealt with. In Andrews *v.* the Law Society of British Columbia, the program funded the Women's Legal Education and Action Committee to intervene, and the result was to present to the court a new approach to equality rights that had a major impact on the result.

In the Swain case, Regina *v.* Swain, the case concerned the question of evidence in insanity cases. The result was that we in Parliament had to totally amend the Criminal Code on insanity. I was a member of that committee, as was the hon. member for Cape Breton—The Sydneys, and we participated in that. That case, in fact, forced the government to update the law and we now have a modern law as a result, sponsored and supported by all the parties in this House. Shacter against the Queen is another case on sexual discrimination at UI. CEIC against Tetreault—Gaboury, against UI. Also seniors, discriminating against people over the age of 65, Egan and Nesbit against the Queen.

• (1630)

Let me just quote what Ms. Coté, director of the program, said to the standing committee a few days ago: "The program provided funding to Jim Egan and John Nesbit to challenge the definition of spouse in the Old Age Security Act under which same sex spouses are eligible for the spousal allowance available to eligible heterosexual, common law and married spouses".

Egan and Nesbit have lived together for 40 years and they lost the case in the trial division. Now they want to appeal. The trial judge erred by using the "formal

equality" test rejected by the Supreme Court. But there will not be an appeal if this program is cut off.

Why is that important? It is important because what happens in our law is that often you lose at trial division and then you go to the Supreme Court of Canada and you win, and that changes the law.

The best example is the Nisga Indian case where Tom Berger, acting as a lawyer for the Nisga Indians back in the early seventies, appealed the case all the way to the Supreme Court of Canada after losing at the trial court. The Supreme Court was split, and as a result of that decision we have the modern law of aboriginal rights today in Canada. That is why it is so important to fund these cases. That is why it is so important to go to appeal.

I could quote more cases, but the minister knows that these cases have been successful. The question is: Is it finished? I quote Ms. Coté again: "Furthermore, issues involving discrimination based on ethnic origin and colour, as well as issues affecting low income people, have barely been touched on by the courts. Very few court challenges to systemic discrimination have come before the courts. The program just recently funded three case development projects concerning some aspects of the discrimination suffered by Afro-Canadians in the prison system. Without financial support to undertake their legal proceedings, it is quite possible that the agency that received funding to complete this research will not have the means to take the subsequent court action".

There is work to be done. We have just begun to test it.

In the language area, as the hon. member for Vanier pointed out, we just had the Dobbie—Beaudoin report *Constitutional Suggestions for French Language Rights Outside Quebec*, the concept of duality and promotion of those rights. Who is going to take the cases? Charity? Is that what we are going to say to francophones outside Quebec?

I have before me a letter that was sent by La Fédération des Franco-Colombiens to the Prime Minister. It says: "Without the Court Challenges Program the charter's scope is seriously curtailed. From now on it will be virtually impossible for ordinary Canadians to force governments to respect their constitutional obligations, especially with respect to the language rights of the minority French speaking communities across Canada". It provides evidence—and I will send it to the minister and table it in the House—of a case right now on French Canadians using French in the criminal courts of British Columbia.

What do you want to do? Do you want to turn it over to the provinces? Do you want Albertans to say to Mr. Getty: "Give us some money so we can finance something on bilingualism"? That is absurd. It is absurd and it does not do justice to this minister.

An hon. member: Or to the country.

Mr. Waddell: "Or to the country". The minister has asked if there is another way. What about the provinces? I would be prepared to concede that the provinces would have some role. We are a federation. Let us expand this program and get the provinces playing a role. The minister cannot do that overnight. He cannot just end this program and then expect the provinces to come in. I urge him to find some additional funds from that big department of his so that he can continue this program in a temporary way.

I see the minister talking to one of his friends. I hope he is listening because a lot of people want the minister to hear this. He is a fair minister. Therefore, I say to the minister: take some money from the department, keep the program going, work with the provinces. He wanted suggestions. I am prepared to work with my colleagues in Ontario, Saskatchewan and British Columbia or their NDP governments. I know my friends in the other part of the House would do likewise and say: "Come on, maybe we can find some money to provide for challenges for provincial laws and for federal laws as well".

I would like to conclude with a couple of quotes. Again the government has to explain. John Tait, the Deputy Minister of Justice, when asked about the program the other day said: "I would say as deputy attorney general that we have gained a tremendous amount of good jurisprudence from this program and that is all—not go on to say that the jurisprudence is now sufficiently developed. It is not".

There is still somewhere to go, according to the Deputy Minister of Justice.

Perhaps money is the problem. However, as I pointed out, the government found money for the PM's clipping service, for judges' increases, and for all kinds of other matters.

I then ask the minister what is it? Why is he cutting this program? Is it because of a bunker mentality? Is it some notion that this government cannot cope anymore with things and has to hit back? Is the government somehow afraid of criticism, as Grace says.

This idea is appearing all over the place. In Stevie Cameron's column she talks about cutbacks to freedom of information, and the combination with the Privacy Act and freedom of information. She says: "The Tory government is doing everything it can to kill freedom of information and to kill access to information". You can see it in the attempt of the Minister for International Trade to try to restrict freedom of information on trade issues. It is all over the place.

I say to the minister: "He can find some money. This program is not finished, there are aspects of it that can continue. There are things to be done. The provinces cannot fill the gap, but they can help. I am prepared to help him find ways to do that".

I ask the minister to look at it because there is something else that we should consider. These are our courts. These courts belong to the people of Canada. Everybody should be in the courts, not just the rich. They are funded by our money. We pay the judges and the court staff and so on. Can we not pay some people to take some difficult cases to the courts?

The government did that and the government was a good government for doing so.

Why is the government fighting against our people in this way? I do not understand it. This is the unkindest cut of them all. This is a cut that directly affects people who are dispossessed, people of colour–

An hon. member: That's what you said when VIA Rail was cut.

Mr. Waddell: The hon. member said that is what I said when VIA Rail was cut. When VIA Rail was cut I said that it was a cutback of the institutions of Canada. I said that it was going to hurt this country if this government keeps cutting VIA Rail, the post office, the CBC, and so on.

I am as aware as he is that we have problems with money. However it seems to me that this is the wrong place to cut the money. These people are not able to find alternate sources of money. These people are the poor and marginalized in our society and for once the government gives them a break. Why, then, take it away?

This is why I am angry with the minister, whom I normally respect very much.

I ask him to find a way to continue this program, to find a way to tell these people that the government has not given up on language rights across this country. That is not easy for a westerner to say.

I ask the minister to find a way to tell the franco–Columbian group in British Columbia: "We are with you, keep going". I ask him to find a way to continue to finance these cases so we can make our courts open to all. This was the unkindest cut of them all.

I ask the minister to find a way to reinstate this program with or without the co–operation of the provinces or other people, to keep it alive, as he has in the past, until we can come up with some alternative.

• (1640)

Mr. Jean–Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I congratulate the member for his speech.

I listened to his speech attentively and I must say that he understands, like many of us here, the seriousness of the debate. I want to thank him from the bottom of my heart for his support.

Today we are on supply proceedings. For those of us who are familiar with the House rules, we are indeed debating supply. That means money for the government. Under those rules the opposition is given 20 days a year to call subject matter which is debated.

Today, the opposition, I moved the motion and my friend from Cape Breton—The Sydneys seconded it, moved a motion to reinstate a program under the minister's department. It is a program which I think is essential.

I want to ask the member who just spoke if he has had a chance to look at the spending authorities for the Department of Multiculturalism and Citizenship. If he examines those expenditures he will find that the bureaucratic expenses have gone up by some substantial amount but that the grants and contributions have decreased by about $24 million.

The minister says that he is trying very hard to create better race relations, that he is trying to fight racism and that his priority this year has been on that subject. However he did not tell us that he deferred the Cana-

dian Race Relations Foundation and that his department has cut $24 million in grants and contributions, the total dropped from $78.722 million last year to $50.731 million this year.

I would like to ask the member if he has had a chance to look at these estimates. If not, maybe he can give me a comment on the credibility one must give to a system which increases its operating expenditures—in other words, the bureaucratic expenditures—and reduces grants and contributions and then comes into this House and tells us: "Times are tough. We have to cut expenditures".

For God's sake cut expenditures, but cut them in a way that people will understand. I ask the member if he has had a chance to look at these estimates? It sounds to me like the minister and his department, and the government in general, are not seriously attacking the problem of cutting the expenditures of the department. They are cutting the expenditures of grants and contributions which this program benefited from.

Mr. Waddell: Mr. Speaker, to answer the member's question, because I am not the critic of that department I have not had a chance to look at the individual expenditures of that department.

I did say in my speech that I looked at the Department of Justice where there is a similar pattern, there is a pattern of increase in the estimates of that department, an increase both bureaucratically and for outside counsel.

I put that to the minister and he said that he is not the Minister of Finance, he is not responsible for that. He has a point. I asked him about the $870,000 paid for the Prime Minister's daily press clippings and he said that it is not his responsibility, and he is right.

As the member points out, his responsibility is for his own budget. It is very interesting, as the member has pointed out, that his budget has increased for the bureaucracy and decreased for grants and expenses. The minister seems to be sucking and blowing at the same time with those figures, does he not? No doubt, he will explain why.

I suppose there is always a pressure in the bureaucracy for more money and more expenses, and it costs a lot. Compare those kind of figures, both in the Department of Justice and in the minister's own department, with the $2.7 million that this program is presenting and then compare what we got out of the program with some of the stuff we got out of the departments.

We are getting pretty good value for our money. It is total economic irresponsibility to pad those figures and to cut this program.

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, for the benefit of the hon. member, who I know would want to have it clear in his mind, we did create a new department in this particular year with available resources from the Secretary of State. There was a division of the existing resources. Some additional resources were given to us so that we could have a new, effective department right across the country.

The first thing the member should do is examine the administrative situation of the Secretary of State and the new department and realize that we have made use of the collective resources or the administrative resources of the two. Wherever possible we attempted to do within the existing resource base in order to establish new centres right across the country for the delivery of the services one would anticipate. We tried to to do this as carefully as possible.

The $24 million that the member is referring to was the specific amount that partly came about as a result of the settlement with Canadians of Japanese origin. That is the deferral of the Race Relations Foundation.

Deferral. We have a commitment in law to proclaim the Race Relations Foundation in the future. However, frankly, there is still some work that has to take place. In the meantime, the activity of the department, in accentuated fashion, in heightened fashion, with increased resources, is directed more and more toward fighting racism.

The member for Halifax is here. She might want to get to her feet and talk about some of the activity I have been privileged to participate in with members of Parliament and with the community in Halifax. I hope that she will find it helpful. She may want to interject at some point in this debate as well.

Mr. Waddell: Mr. Speaker, excluding the deferral for the money for the Race Relations Foundation and the Japanese Canadians it seems to me that it is the most expensive new letterhead and new phone number in Canadian history.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I am very pleased to be participating in this debate this afternoon. I would like to say at the outset that our party, the Liberal Party, will be dividing our 20 minute segments so that we will get twice as many speakers. Therefore, I will be speaking for 10 minutes and the member for Halifax will follow for a subsequent 10 minutes.

I want to say to the Secretary of State how disappointed I am in the government at the cancellation of the Court Challenges Program. This is a tragic decision for this country because a lot of what Canada stands for is embodied in the Court Challenges Program. Over the last few years it has been our court system that has really been holding this country together. It certainly has not been the federal government.

The minister said that this government spent more than any other government on this type of program. However he also said, and truthfully so, that this is the only Court Challenges Program in the world. It has been in existence for 15 years and this government has been in power for more than half of that 15 years.

Sure, this government has spent more on this type of program. It is the only one and the Conservatives have been the only party in power for more than half of that period. That does not make them in any way sensitive to the needs of the disadvantaged, the minorities and the women in this country who are being abused by society and who no longer have the ability to challenge this abuse in our court system.

This is an absolutely detestable decision. In this country we have an excellent Charter of Rights and Freedoms. It is something that we can be very proud of, but this charter is not going to work if we prevent a large segment of our population from being able to utilize it to protect themselves and the rights which they have every reason to believe in and take for granted in this country of Canada.

We have now, as a result of the decision of this government to cancel the Court Challenges Program, a rich man's charter. The disadvantaged, the minorities and the women in this country cannot enforce their rights in a court of law unless they are very wealthy indeed. In 1989 the standing committee on human rights issued a report which said: "The virtually unanimous verdict of witnesses who appeared before the committee is that the reasons for continuation are not merely sufficient but compelling".

• (1650)

The member of Parliament for Oxford, who is now chairman of that committee, upon hearing that this Court Challenges Program had been cancelled wrote to the Prime Minister asking him to reconsider his decision.

I want to say under no circumstances is it a sound argument to say that there is now a sufficient body of jurisprudence based on charter decisions and the Court Challenges Program is no longer needed. That is what the Solicitor General told me when I posed a question in Question Period on this subject. He says it is no longer necessary.

Any legal academic will tell you that it takes at least another 10 years from now to be able to get a proper body of jurisprudence on the Charter of Rights and Freedoms we have at the present time.

The government is sponsoring through its constitutional dialogue changes to the Charter of Rights and Freedoms which means there are going to be changes that will have to be interpreted in our courts. How can the government possibly say that we have sufficient jurisprudence not only on what we already have in our charter but the changes that are going to be made to our charter? I want to say as well, now 200 years later, the Americans are still interpreting their charter of rights and freedoms.

Even if there was a substantial body of legal decisions on which we could base the future rights of Canadians, that does not take away from the fact that we as a Canadian people have to protect the disadvantaged people in our society.

The minister talks about the fact that he is interested in abolishing racism, in promoting unity. We need court decisions if we are going to have that kind of battle against these dreaded spectres that all people confront. We have to have court decisions. We have to know where the courts stand.

It is ironic that the government would cancel this program immediately after the Butler decision on pornography. It was an excellent decision which was decided nine to zero by the Supreme Court of Canada and which challenge was financed by the Court Challenges Program.

We do not have to just look at the writings. We look at the actual words of our justices of the Supreme Court. Former Chief Justice of the Supreme Court, Brian Dickson, and former Justice of the Supreme Court, Bertha Wilson, have decried the loss of this program. During their tenure these judges were particularly interested and sensitive to the need of the charter and to the needs of disadvantaged Canadians.

My friend from Port Moody—Coquitlam and my colleague who has sponsored this motion, the member for Ottawa—Vanier mentioned the words of Bertha Wilson. I want to mention another segment of her presentation and her petition to the Government of Canada. She said: "I have difficulty with a policy that places the burden of that restraint on those who can least afford it". That is exactly what we are doing when we are cancelling the Court Challenges Program.

This is just another means. We have to be truthful. We have to come right down and say what this is. This is a move by this government to silence critics. It is no more than that. It is a complete abuse of the Canadian system. It is an abuse of what this country stands for. Worst of all, it is an unmitigated move to silence the critics of this government, a government that has abandoned the Law Reform Commission, the Science Council of Canada, the Economic Council of Canada.

The demand for this Court Challenges Program is growing every year. In 1986 there were 120 applications. By 1989 that figure had doubled and it has continued to grow since then.

That does not mean that everyone who applies is going to be approved. There is a non-partisan board which approves who will be able to benefit from this program.

My heavens, this country has benefited from that program. We have such good jurisprudence as a result of the cases which have been brought before the courts as a result of this program.

It is incredible. It is absolutely incredible that this government would cancel this program. This government has money to allow escort services as a tax deduction but it cannot find money for the Court Challenges Program.

This government increased the litigation budget of the Minister of Justice by $16 million. That is not the program, that is just the increase for this year. Yet it cancelled the Court Challenges Program, which was $2.75 million. That is an absolutely diabolical move against the disadvantaged people in this country.

As Canadians we have to continue to petition this government. We cannot let this matter rest. We have to continue to petition this government to reinstate this program. We cannot possibly let this subject go. It goes right to the fibre of what Canada is all about.

If we for a minute turn away from this decision of the government and ignore what this government has done, then we as members of Parliament and politicians in this country are losing a piece of ourselves and a piece of what we are here to do.

When the minister talks about this program he says: "Times are what they are". The minister said that the government must make hard choices. Well, there are more and more people going hungry in Canada. There are more and more people sleeping in our streets. Now there are more people who will not get justice before our court system. Those kinds of problems cannot be answered by saying that times are what they are and hard decisions have to be taken.

I know the minister is not responsible for this decision. I know the minister to be a good person. But I want to say to the minister that he is a member of a government that has callously jettisoned the disadvantaged people in our society. The Liberal Party is not going to stand for that. We are not going to let this matter go.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I congratulate my colleague and fellow critic on his speech.

The minister must detect that while my colleague is normally level-headed, more level-headed than I am, we are both rather disturbed today. It showed in both our speeches.

We are both lawyers. We have been trial lawyers and we know what it is like in the courts as to who gets to go to court. Here was a program that helped poor people get to court. People that you do not normally see in court.

I want to ask the member to comment on that particularly, on who does go to court if you cannot get any help. He mentioned the moneys that the government could find. Was it $16 million for the litigation budget? I wonder if he would agree with me that it was

$10 million for the increase in the judges salaries. But it cannot find $2.7 million for the disadvantaged program.

I also want to ask him about this idea of another motive. What is the real reason? I wonder if the member noticed as I did that months after the Law Reform Commission brought in a report for an aboriginal justice system, it is gone. After the Economic Council of Canada had a different view from the government on Quebec independence, it is gone. The Court Challenges Program was constantly challenging the government, it is gone. Am I being paranoid or does the member see a pattern to this kind of cutback? Is this a government that has a bunker mentality?

Mr. MacLellan: Mr. Speaker, I would like to thank the member for Port Moody—Coquitlam for his intervention. I agree completely with what he has said.

What we have is a move by the government to silence its critics. The Law Reform Commission came out with a report on aboriginal justice which I thought was excellent, along with some of the other good work that it has done. The member also mentioned the Science Council of Canada and the Economic Council of Canada.

• (1700)

Those matters have obviously met their own demise because the better they are at the work they are doing the more ready the government is to pull the carpet out from under them and cancel their work because it does not want critics.

Look at the changes in the House of Commons. We are sitting less and less. The rules are more stringent. Closure is invoked more than it ever has been before. It is absolutely incredible. The whole matter of opposition in this country is being thrown to the wolves.

As the member for Port Moody—Coquitlam says, there is money for anything the government wants. The travel budget of the Minister of National Defence would pay for 25 court challenge programs.

Ms. Clancy: I'll say.

Mr. MacLellan: It is absolutely incredible that this is chosen to be cut. Sure there has to be fiscal responsibility, but not through the people who need the help of their government and through a program that has meant so much to our jurisprudence and to the fabric of Canada.

Decisions have come from this program that we never would have had. Had these decisions not come, we would have continued to perpetuate the injustice that was going on evidently before the decisions were reached.

Ms. Mary Clancy (Halifax): Mr. Speaker, this is the second time in two days that I have spoken on the matter of the cancellation of the Court Challenges Program.

I am glad that my hon. colleague from Quebec over there finds it so amusing. I think a number of his constituents would find the cancellation of the program less than amusing, particularly those members of linguistic groups in this country who might have wanted to use it.

In any case, I too, like my hon. colleague from Cape Breton—The Sydneys, am disappointed that twice in two days I have to talk about the disgraceful activity of this government.

I listened to my other hon. colleague, the Minister of Multiculturalism and Citizenship, talk about his fight to end racism and I know he means it. Indeed, both of us have been involved in certain measures and activities in my riding. I know he means it. But the point is, what he clearly does not understand and what this government does not understand is that without access to the courts in this country disadvantaged groups are not going to enforce their rights.

We have a magnificent Charter of Rights and Freedoms and it is not worth the paper it is written on if the people who need it cannot get into the courts. My colleague from Cape Breton—The Sydneys has said that, my colleague from Ottawa—Vanier has said that and my colleague from Port Moody—Coquitlam has said that. How many times does it have to be said?

We understand this and you do not have to be lawyer to understand this. You have to be a person in the street, a woman or a disabled Canadian or a black Canadian or a member of another visible minority or an aboriginal Canadian to know what it is not to be able to enforce your rights. Perhaps you have to be a member of a

linguistic minority in any one of our 10 provinces to know what it is not to be able to enforce your rights.

What good is our charter? I ask the minister rhetorically at this point, what good is our charter if the people who need it the most cannot enforce it? It is a disgrace and a national disgrace. It is something that we as Canadian parliamentarians should collectively hang our heads about.

I agree further with my colleague from Cape Breton—The Sydneys, we are not going to let it stay here, we are not going to let it rest here. This will be the ghost of Christmas past, Christmas present and Christmas to come for this government. People will remember it.

It will be a disgrace along with the GST, along with all kinds of other policies of this government. But this one will lead the pack because this is one that attacks the weakest and those least able to defend themselves. As a Canadian I am ashamed.

If my colleague, the hon. minister, wants to defeat racism then put the Court Challenges Program back in place. We know what racism is in Nova Scotia. We are ashamed of it. We want to see it obliterated. But unfortunately it is not going to be done by government departments. It has to be done through the courts. That is what the court system is for.

The law is a sword and a shield. In the area of racism and in the area of discrimination generally we need the sword as well as the shield. And it is the courts that provide the sword. In this case the government has removed both sword and shield. Again, I am ashamed.

What was the Court Challenges Program? It was the hallmark of a government that was committed to the advancement and the defence of human rights. We as Canadians can get a little smug compared to our fellow countries in western civilization. We tell ourselves that we are a kinder, gentler country, as has been spoken about, than our neighbour to the south.

Take away this program and we take away a great deal of the kindness and the gentleness and we take away the major reason for Canadians to hold up their heads and say: "We have a record in human rights to be proud of". We will no longer have that record. There will be no way that records of that kind can be made. If the minister thinks differently, I can only say one thing to him: "Prove it, show us, and don't talk to us about government departments because they are empty words". There are many things government departments can accomplish. There are many things government programs outside this particular sphere can accomplish, but the enforcement of rights not backed up by accessibility to the courts is hollow. He knows it, as does every member in this House.

Talk about hard decisions in hard times and cutting a program that was approximately $2.7 million per year. It was not a huge amount of money for the great amount of good that it did.

We have heard and seen from my other colleagues here today of the other expenditures of dollars that are still there, that are still thrown around by government members. But who do they take the money from? They take it from the voiceless. They take it from the defenceless. I hope they are proud of themselves.

Without this funding, this small amount of funding, equality for women and other minority groups, linguistic, ethnocultural or whatever, is a hollow concept. The charter is only a mechanism for striking down discriminatory laws. It does not—and this bears repeating over and over again—guarantee the absolutely necessary access to the courts.

Alliance Quebec said it very eloquently: "The issue quite simply is whether the rights and freedoms provided in the Canadian Charter of Rights and Freedoms have any real meaning or whether they are rights in theory only. Are they living manifestations of fundamental values, or are they merely paper tigers, sound and fury signifying nothing? Under this government they will become sound and fury signifying nothing". I might even extend that quotation to its beginning, which is: "a tale told by an idiot".

The purpose of the Court Challenges Program was not to give minorities, women, special privileges and rights but to guarantee them what was rightfully theirs. We are not talking about giving something extra. We are talking about bringing disadvantaged groups up to the level of the rich man's charter, as my colleague from Cape Breton—The Sydneys so eloquently put it. That is what it will become. That is what it has become in the wake of this policy.

A number of my colleagues here today have cited cases of great importance that have been handed down, decisions that have been handed down because of the Court Challenges Program. Let me cite some, although I know I may be being repetitive. This horror that is being visited upon us needs us to repeat over and over again what the government is doing to us by this cancellation.

In Keegstra, Andrews and Smith the Supreme Court upheld the hate propaganda provisions.

The Vesey case established that discrimination based on sexual orientation was prohibited by section 15 of the charter, even though sexual orientation was not a named ground of discrimination.

• (1710)

The Andrews case marked the beginning of the process of defining equality. The Supreme Court ruled that the main purpose of the equality rights section of the charter is to benefit those who have been historically disadvantaged. I think every one of us in this Chamber knows who have been historically disadvantaged. Every one of us knows what will happen if those who have been historically and are continuing to be disadvantaged in this country have no access.

Turning to the Butler case, the day before the government takes away the Court Challenges Program the Butler case is decided. The Supreme Court of Canada upheld the obscenity provisions in the Criminal Code, arguing that while there may be a contravention of the freedom of expression provisions they nonetheless constitute a reasonable limit. It was recognized that the violent and degrading acts and pornographic material are harmful to the equality and dignity of women.

Let me state again how important this is in the search for equality. I listened yesterday to the debate about women in Canada. I listened to members on the opposite side of the House very eloquently talk about their abhorrence of violence against women. The Butler case will go a long way in the eradication of violence against women in this country, and without the Court Challenges Program there would have been no Butler case.

[*Translation*]

Abolishing the Court Challenges Program is an inestimable loss for our society, because without it minority language communities and disadvantaged groups will be deprived of an essential tool.

Without the Court Challenges Program, who will protect the poorest and most underprivileged from the continual abuse of governments? Abolishing it is shameful. I ask the government to reinstate it immediately.

[*English*]

I demand it. We all demand it. Give us back this program.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Mr. Speaker, I congratulate the hon. member on her excellent speech but I too have to ask this question: What good is it to have a Charter of Rights and Freedoms if those whose rights are denied cannot be enforced in the courts and they cannot claim protection of those rights, especially when we realize that the great majority of those whose rights are denied under the charter are in lower income groups?

Sometimes they may be in middle income groups. The disabled, visible minorities, the aged, these are not people with a lot of money. They cannot afford to enforce their rights in the courts with their own means. Women, immigrants, aboriginal people, linguistic minorities, in nearly all these cases the opponents of these people whose rights are denied are governments that are financing their litigation with the taxpayers' money.

With these great sums of money these governments, provincial governments and federal governments, can spin the case on forever. They use dilatory motions. They appeal the case up and down the system and the poor litigant on the other side is expected to keep up with that. He or she cannot keep up with that, and the result is that there just is not any justice.

I have a question for the hon. member. The justice critic for the Liberal Party pointed out that while the government cut the Court Challenges Program with a total budget of $2.7 million, it increased its own litigation budget by $16 million. In other words, this government has taken taxpayers' money to strengthen and increase its own ability to go to court and to fight in many cases against the citizens of this country. Yet it has done away

altogether with a very small budget which would allow Canadian citizens to do battle with the government in cases where their rights are involved, not only with it but with provincial governments and corporations as well.

I want to ask the hon. member who is very familiar with the justice system and has experience as a lawyer: Am I missing something here? I always thought a Department of Justice was to provide justice for Canadian people and to use taxpayers' money to provide justice, not to support a government in preventing justice. Would she, with her experience, try to straighten me out on that one?

Ms. Clancy: Mr. Speaker, I thank my hon. colleague from Notre-Dame-de-Grâce who is a well-known champion of human rights and of those people who have been disenfranchised by the removal of the Court Challenges Program. Of course he is absolutely right.

Any of us on either side of this Chamber who have practised law know the horrendous cost involved in litigation, even at the provincial level. To talk about taking a case all the way to the Supreme Court of Canada is beyond the realm not just of lower income or poverty level Canadians. It is beyond the realm of possibility for middle class Canadians. It is a heck of a big expense even for those with the kind of money it costs to push these cases forward.

As was so eloquently put forward by all of my learned colleagues, governments on the other hand have the money. They have their in-house departments such as the Department of Justice. The absolute scandal of this is that while this government has removed the sword and the shield from the disadvantaged groups, it has sharpened its sword and toughened up its shield against those very people. Talk about overkill. It has knocked down fortifications that disadvantaged groups had to enforce their rights. At the same time it has given itself a bigger stick with which to beat those disadvantaged groups.

It is a scandal and it is something that we as Canadians should really be ashamed about.

[*Translation*]

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, I am pleased to take part in this debate. I have been in the House since about two o'clock and I have heard the whole debate. I have some questions because I realized that the House had to decide whether to stop funding the Court Challenges Program. On that, I must congratulate all hon. members who ask questions because they show their interest in Canada's linguistic minorities. I want to assure you, Mr. Speaker, that our commitment to our country's linguistic duality remains just as firm.

The Court Challenges Program was created in 1978. At that time it was an answer to the federal government's concern about the possible erosion of some minority rights guaranteed by the Constitution of Canada.

In March 1978 the Department of the Secretary of State and the Department of Justice together announced that the Canadian government would help those who sought court rulings to clarify language rights based on sections 93 and 133 of the Constitution Act, 1867. Section 23 of the 1870 Manitoba Act was not mentioned because at that time it was not known to be a constitutional provision.

From the beginning the Court Challenges Program focused on language rights. It dealt only with them. The program continued as such until 1982. When the famous Canadian Charter of Rights and Freedoms took effect, the federal government decided to update the program. In December of that year it announced the expansion of the program. Cases eligible for financial aid could be based not only on the Constitution Act, 1867 but also on section 23 of the 1870 Manitoba Act and sections 16 to 23 of the Canadian Charter of Rights and Freedoms.

Until 1985 the program was administered by the Department of the Secretary of State. In September 1985 it signed an agreement with the Canadian Council on Social Development under which the council undertook to administer the program for a five-year period. The administration of the program was entrusted to an independent body so that it would be at arm's length from the government. The council was then required to set up independent committees to review applications for assistance and distribute funds with no intervention from the federal government or the council.

In July 1990, further to the recommendations of the Standing Committee on Human Rights and the Status of Disabled Persons, the program was extended for a five-year period. The administration of the program was then transferred to the Centre for Research and Education on Human Rights at the University of Ottawa.

• (1720)

The program was extended to cases involving language rights based not only on the previously mentioned provisions but also on similar constitutional provisions. This agreement includes a part on equality rights. The program also seeks to clarify equality rights guaranteed by sections 15 and 28 of the Canadian Charter of Rights and Freedoms or section 27 presented in support of arguments based on section 15.

The program was not created as a protest tool. Historically, the program was perceived as a way to promote Canada's two official languages and it remains that. In this regard, it seeks to provide financial assistance in developing test cases to clarify the language provisions of the Constitution.

The trail-blazing cases in the field of language rights deal first with education rights, second with bilingualism in the judicial system, third with language of service, and fourth with fundamental rights.

Let us remember that section 23 of the Charter gives qualified parents the right to have their children educated in the minority official language of their province of residence. This right was established to correct past injustices in education and deficiencies in the present school systems by applying a uniform remedy.

I would like to be able to trace the historical development of cases subsidized by the Court Challenges Program, but time is passing. Allow me, however, to emphasize that the court challenges dealing with section 23 helped clarify these provisions.

For example, the Supreme Court decision in the Mahé case clarifies the procedure for real enforcement of education rights. We are glad to be able to point out the important role that the Court Challenges Program has played in clarifying section 23 of the charter.

Language is an important aspect of judicial proceedings. In this area, we can say that language rights concern mainly the choice of the language of the proceedings and the right to address the court in the language of one's choice. Again, I cannot elaborate on the development of the constitutional provisions concerning language rights as they apply to the judicial system, but please believe me that it is an interesting story, especially since the Court Challenges Program is responsible for the gains made in this area. The Supreme Court decisions in the Blaikie, Mercure and Bilodeau cases have led the courts and the Supreme Court of Canada to identify the sections of the charter that apply to judicial bilingualism and to define language rights as they apply to the courts.

Section 20 of the charter grants two distinct rights. The first is the right to communicate with any office of the institutions of Parliament and the Government of Canada or the legislature and Government of New Brunswick in the language of one's choice. The second is the right to receive services from these offices in the chosen official language. The right to use one's language, the language of one's choice, implies the right to be heard and understood in that language and also to receive replies in it. That is what Judge Beetz says in the SANB *Acadian Society of New Brunswick* decision. These rights are not limited in cases involving an office of the institutions of the legislature and Government of New Brunswick or the head office of a federal department.

We know that some fundamental rights or legal guarantees in the Canadian charter can have a linguistic connotation. That is the case for the freedom of expression which every individual in Canada enjoys under section 2 of the charter. The Court Challenges Program has supported some precedent setting cases.

The Court Challenges Program has thus helped to clarify several constitutional provisions concerning language rights. It must be noted that the legal clarification of a language provision does not always result in net gains for the official language minorities. We may be astonished at how long it takes education or language rights to develop in many provinces. We should ask ourselves about the limits of judicial recourse. The courts are not the only place to assert our rights. Language minorities have other tools at their disposal to help them claim their rights.

This brings me to talk about the Official Languages Commission, the new Official Languages Act, and the programs of the Secretary of State and the Department of Multiculturalism and Citizenship, whose objectives are the promotion of official languages and the full participation of all to the life of our Canadian society.

The new Official Languages Act includes all the measures taken in the fields of education rights, bilingualism, the courts, and service language. As early as 1985 we were hoping to revise the Official Languages Act. The basic principle was clear: to give Canadians a tool to replace the conflicting approach of the Court Challenges Program.

On September 15, 1988 the new Official Languages Act that had been ratified by the government during the summer came into effect. This legislative framework reflects the philosophy of this government, which was stated in the House of Commons by the Prime Minister on February 15, 1990.

The linguistic duality and the protection of the linguistic rights of minorities are not abstract notions. These principles are embodied in statutes such as the Official Languages Act, and they will be confirmed and protected because they are enshrined in the Constitution. Those principles take on a real meaning thanks to the will of a generous and tolerant nation.

The Official Languages Act has two main objectives. First, to ensure the respect of French and English as official languages in Canada, their equal status, as well as equal rights and privileges regarding their use in federal institutions. Second, to support the development of francophone and anglophone minorities and, generally, to promote within the Canadian society and in cooperation with numerous others, the full recognition and use of French and English.

The new legislative approach is much more centered on the notion of partnership with other interested parties in the field of official languages that on a conflicting approach. This innovative approach shows a new spirit of co-operation in the promotion and teaching of official languages, as well as a greater will to actively participate to the promotion of minority linguistic communities. Indeed, this is confirmed by numerous recent achievements.

The federal-provincial co-operation regarding the teaching of official languages is based on a tradition that spans two decades. The commitment shown by the two levels of government regarding the teaching of French and English as the language of the minority and as a second language gives Canadians the possibility of receiving an education in their own language if they are part of a minority group, to have access to the same quality of teaching as that of the predominant linguistic group, as well as to learn the other official language and at the same time to familiarize themselves with a different culture.

I am pleased to point out that this co-operation is more and more prevalent in the field of education. It can be seen, for example, in the innovative efforts made by provinces, with the encouragement and financial support of the Secretary of State, regarding services in such fields as justice, social services and health.

It is true that our country is going through a difficult period as regards official languages and national unity. We are all aware of actions such as the passing of resolutions on unilingualism by some Ontario municipalities in early 1990, not to mention the failure of the Meech Lake Accord. In fact, we can still feel the effects of those events. What is often difficult to perceive is the fact that behind this turbulence some changes more positive for our future were slowly taking place.

The decision made by the Supreme Court of Canada in the Mahé case was a breakthrough regarding education in the language of the minority. It provides that minorities have the right to actively participate to the management and control of their children's education and educational institutions. Even the guidelines set by the court regarding the implementation of this right should be beneficial to minorities in every province and territories.

We will continue to support communities that give themselves tools to create a healthy and dynamic social environment. The existence of Francophone and Anglophone communities across the country is not only a fundamental characteristic of the Canadian federation, but also an essentiel element for national unity. This duality gives us our uniqueness and has shaped our Canadian identity, just like the precious contribution made by aboriginal people and Canadians from other cultures to our pluralistic society. I remain convinced that this respect for our identity is strongly supported by a great majority of us. As a matter of fact, this fact was verified over and over by nation-wide surveys.

• (1730)

To make our institutions a vibrant reflection of this wide diversity in a spirit of fairness while acknowledging the differences, that is the challenge the federal government takes up day after day. But we realize that we cannot do it alone. We must work in concert with all the stakeholders. Together, we will build the necessary infrastructures while giving our continuing support day after day to the development of our communities and making sure that the English and French languages are fully recognized throughout the country. It is true that much still needs to be done, but we have come a long way.

A significant renewal of the Secretary of State Official Languages Program and Official Languages in Education Program was announced at the very time the provisions of the new Official Languages Act came into force, on September 15, 1988. These programs are designed to give concrete expression, in our everyday life, to the government's commitment to official language minority communities as well as promotion of linguistic duality.

Several initiatives were undertaken besides the Secretary of State programs to encourage other stakeholders in the official languages issue to work together and implement as widely as possible the federal government commitment. Co-operation was sought between the various federal departments and agencies, voluntary organizations and official language minority communities as well as provincial and territorial governments. I should point out here that the federal government is not working alone in the area of official languages and that the contribution of the provincial and territorial governments is increasingly significant. They are major partners in achieving our goals of linguistic duality.

Under the Official Languages Act, the federal government is committed to co-operate with the provincial and territorial governments, to foster the growth of the English-speaking and French-speaking minorities and to promote linguistic duality. Through the Secretary of State Official Languages in Education Program, government supports initiatives to teach these minorities in their own language and encourage government to give every one the opportunity to learn English and French.

The federal government, also wants to co-operate with the provincial and territorial governments to foster the delivery of services in the language of the official language communities in areas such as social services, health services, legal services, cultural and recreational services, and to promote both official languages among all Canadians.

This co-operation, which started in the early 1980s as a one-time initiative, has considerably expanded since 1987. Master agreements signed with the provinces and territories have enabled the federal government to join forces with several of them to provide services in the language of the minority and to promote linguistic duality in other areas beside education.

Mr. Speaker, you need only look at the Secretary of State annual report on its mandate regarding official languages to realize how diversified this government's achievements are in promoting and protecting the official languages of Canada. The Secretary of State thus administers a support program for official language minorities' organizations and institutions. Through this program, financial assistance is provided to community organizations in each province and territory to enable them to participate fully to all aspects of society.

The program is aimed at five main areas. In terms of delivery of services, assistance is offered to provide some services in the language of the minority where such services do not exist. For instance, the government has supported the development and maintenance of community centers, the publication of newspapers in the language of the minority, commemorative days of all kinds, the creation of an outdoor activities center accessible to youngsters and adults, French schools and immersion schools, organizations, businesses and the entire francophone community in Alberta, as well as the establishment of day-care services.

Second, assistance is provided to preserve existing community institutions and encourage the involvement of the community in their operation. New institutions will be established if need be to meet the needs of the community and help the people. In Vancouver, for example, with the support of the federal government, the "Maison de la Francophonie" was established to group together under the same roof all the francophone

organizations in Vancouver and to create a francophone forum providing cultural, artistic and recreational activities as well as to promote the revitalization of the French fact on the Pacific coast.

In Manitoba, an organization received help from government to develop a strategy for the creation of a shelter for francophone women victims of violence.

Third, representation refers to what is being done by agencies to obtain statutory, political or social recognition of the rights of the community and to receive services in their own language.

In recent years many groups have obtained government support to promote their cause. For instance, the *Association provinciale des parents fransaskois* obtained a grant so that it could represent Fransaskois parents before the provincial government, on the issue of school boards for the Fransaskois community. With the money, the association was able to hire a researcher in order to clarify entitlement and develop a recovery, refrancisation and upgrading program as part of the school board issue.

Fourth, in the area of community awareness, assistance was provided to enhance community identity.

Fifth, human resources development focused on activities that would help an individual or agency to acquire certain skills that would help them take specific steps and promote community well-being as well as build on those skills.

These education, training, community development and consultation activities are supported by the government.

I see I am running out of time, and I want to say to the hon. member for Ottawa—Vanier, for whom I have had the greatest respect, ever since I first came here in 1984, that it is time to stop. It is too bad the government happened to select a program that was so special to him, but we must stop spending. We have to stop. You could say it is not enough or it is too much or you could at least spend a little. I remember that in 1984, when I gave my first speech, the subject was waste. It is high time we stopped spending, because we can not give to everyone. The government has departments and certain agencies that provide help from within. I have been talking about them for the past seven minutes at least. I am sorry but I cannot support the motion presented by the hon. member for Ottawa—Vanier.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Cooper: Madam Speaker, on a point of order. I am sorry to interrupt the hon. member and I hope you will not take this time away from the hon. member's questions and comments.

I think you will find consent for the following motion. Given the importance of Bill C-60 to the seven equalization receiving provinces, there should be unanimous consent for the following motion.

> That notwithstanding any Standing Order of this House, when the hon. member for Saint-Jean rises on a point of order, this House will revert to presenting of committee reports to permit the tabling of the tenth report of the Standing Committee on Finance.
>
> That at the time for Government Orders on Thursday, April 2, 1992, this House shall proceed to report stage and third reading of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, notwithstanding Standing Order 76(1) and;
>
> That all necessary questions to dispose of the report stage and third reading of Bill C-60 be put no later than 4.45 p.m., on Thursday, April 2, 1992.
>
> That any recorded division be deferred until Monday, April 6, 1992, at 6 p.m.

[*Translation*]

Mr. Gagliano: Madam Speaker, in a spirit of co-operation, we support the motion.

[*English*]

Mr. Harvey (Edmonton East): Madam Speaker, I regret to inform the House that our caucus will not give consent.

Mr. Weiner: Madam Speaker, on a point of order. I would like to designate tomorrow, Thursday, April 2, 1992 as an allotted day.

* * *

[*Translation*]

SUPPLY

ALLOTTED DAY (S. O.81)—COURT CHALLENGES PROGRAM

The House resumed consideration of the motion of Mr. Gauthier (p. 9154).

Mr. Jean-Robert Gauthier (Ottawa—Vanier): One must have some experience in the House of Commons to see and appreciate the government's play in this, Madam Speaker.

In any case, I for one found the speech of the member for La Prairie interesting and timely until the last minute. However, when he concluded by saying that we must stop squandering—that is the word he used—when he insinuated that the Court Challenges Program would possibly cause squandering, I protest and say to him: "With all due respect, my friend, I think you are profoundly mistaken".

For the better part of his speech, the member for La Prairie gave us the views of someone who knows very well the issue of minorities and of access to minority language schools. I thank him, because what he said will be useful and, I imagine, will help various communities to take stock of the situation.

• (1740)

I would like to tell the member about something that is happening not far from here and ask him what he would do as a Quebecer, as a Canadian, as a member of this House and as a responsible person. Francophone parents living in a riding not far from Ottawa have children, five to nine years old, who must spend four hours each day on a bus in order to attend a French language primary school. I will not give any names. The member can read yesterday's *Le Droit* and the editorials in the papers. He will realize what a scandal this is causing in Ottawa.

Just think, these children must ride four hours by bus daily to get to school simply because the board will not create a francophone sector in its jurisdiction. This is a case in point which we as members of a minority thought we could fight, thanks to a very useful tool called the Court Challenges Program.

Sometimes that program simply gave us a means of saying to the officials, the provincial authorities: "Thanks to the federal government, we can go to court to make sure you honour our rights". Here is an example of injustice. I am not talking about something that happened last year or somewhere else; this is a serious situation prevailing right here in Ontario where nearly 40 children have to be bused four hours a day to get their education in the official language of their choice.

The Court Challenges Program could have been useful in such an instance. It could have helped in justice being done. I ask the member what kind of an answer he would give to those parents? What kind of an answer would he give to my brothers, sisters, cousins in Ontario who are victims of such injustice? What does he say to those people? I ask the question most sincerely.

Mr. Jourdenais: Madam Speaker, I thank my colleague from Ottawa—Vanier. I understand his concern about what he just mentioned, because I have the same problem in my riding.

Restraint is nowadays the watchword of all governments, either provincial, municipal or federal, but if we can set up this thing closer to where the kids are so that they would not have to travel. I am not totally aware of this matter, but I will tell about the situation in my riding. It just happens that they want to transfer members of a minority group who would have to travel six or seven miles. I would really like the hon. member to listen to me. I want to give him an answer, because I have the same problem.

There are community agencies which are dealing with that and are getting funds from the Secretary of State for that purpose. There is currently an organization which will get funds to take care of that group. In my province, it is approximately 120 people who will have to travel also about 30 miles. This is not in your province, but in mine. We have exactly the same problem, and I would do the same on the English or the French side. But there comes a time where restraint and cutbacks are becoming absolutely necessary. Otherwise one day these kids will be crushed under the debt we will have left them. That is exactly what is going on. I understand the problem and we must solve it.

During my 1984 electoral campaign, I had an ad showing a big bag from which came out the word "solutions". I found the problems, but I am still looking for the solutions. I wish the member would do the same.

Madam Deputy Speaker: If the hon. member for Ottawa—Vanier will wait, we will go to another member and, if time permits, we will come back to him.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I also want to ask the hon. member a question.

Does the hon. member know that, in British Columbia, despite section 15 of the Canadian Charter of Rights and Freedoms, despite section 530 of the Criminal Code of Canada and despite the Official Languages Act, francophones were denied their right to be tried in their language? It is left to the judge's discretion.

I will meet with a Franco–Columbian group in Vancouver in the same forum, because the hon. member talked about a forum. What must I tell that group who asked for funds in order to launch a court challenge against that provision? They want to use the program that you cut. What must I tell that group? That those proceedings are too expensive?

Mr. Jourdenais: Madam Speaker, I am not quite sure of the member's question, but I imagine that he is going somewhere in British Columbia. Are you going there as a lawyer or as a member of Parliament? I am not quite sure because earlier in your speech and in your questions, you kept referring to the fact that you were a lawyer and that you were aware of similar cases in which you were even involved.

If you are talking as a lawyer, I would tell you to be generous right now. What I accept now but found very hard to accept with this program and many others—because there are other programs that I oppose—was that the government gives money to people who then turn around and sue us.

[*English*]

I really have a hard time. The hon. member may remember when I stood in the House in 1984 to make my first speech that his question was the hardest question I had ever heard since coming here: "Will you paint your walls blue spending money?" I have a hard time answering a question like that. Every time I see him, I think he is going to ask me that question. We are not painting the walls any more. We have to save.

I read the other day 32 or 35 newspaper clippings saying that the budget that we presented about a month ago was the best budget that has been presented for over 10 to 15 years. I back it up and I am banking on it.

[*Translation*]

Madam Deputy Speaker: There is one minute left. The hon. member for Ottawa—Vanier.

Mr. Gauthier: Madam Speaker, I will only be a minute. I want to go back on the issue of education and minority groups. I am talking about school boards that refuse to give their students a teaching in the language of the minority. That is what we are talking about.

When we talk about wasting, this year the Department of Justice increased its budget for disputes by some $16 million, based on estimates made by the regions. This means that the federal government has $16 million more to go before the courts. I ask the member: What logic does he use to say that the Court Challenges Program which, over a period of five years, cost only $4,935,112, is wasting money, when the accused were provinces and sometimes even the federal government and school boards? Where is the wasting? I am sorry, but there is no wasting of money there.

Madam Deputy Speaker: Thirty seconds. The hon. member for La Prairie.

Mr. Jourdenais: It is going to be difficult to give a quick reply. I want to tell the hon. member that when I used the word wasting earlier, I meant in a general way. I mean there are so many expenses that were made, that are still being made, and I am opposed to that. When some departments get budget increases of $16 million for things like that, I do exactly what I did earlier in my speech: I voice my opposition to such measures. I understand the situation because the problem exists in my riding. We will have to find a solution by using other programs within the department.

[*English*]

Ms. Beth Phinney (Hamilton Mountain): Madam Speaker, yesterday in the debate on women and the budget, I chose to concentrate my remarks on the cancellation of the Court Challenges Program. I was then asked to speak on the subject again today. There are many compelling reasons for the reinstatement of this program so I am very pleased to address this issue again, specifically as it will affect Canadians with disabilities.

In my remarks yesterday I noted that nobody believes the government's explanation for the termination of this program. It has said there is enough jurisprudence but in fact we know there are many important areas of law where there is no jurisprudence at all. It is really quite outrageous for ministers of this government to stand up in this House and make these ridiculous statements. They have said it is time for the provinces, and even the private sector, to support this kind of program.

This strange approach reflects the bizarre mindset of this Conservative government. No one has explained why the private sector should have any responsibility for funding a constitutional human rights program. It is very clearly the responsibility of the federal government.

I certainly would be pleased to see private sector funding of this kind of program. but I am not holding my breath waiting for it. The government has given no indication that it has actively encouraged the private sector to get involved. I guess civic minded businesses are just expected to come forward and say: "here, take our money".

As for the provinces, I think the federal government knows very well what a poor record some of our provincial governments have in defending their linguistic minorities. If these governments were to suddenly show great leadership in defending and promoting human rights, Canadians would welcome this role from them. Although I do not accept the abdication of federal responsibility in this area, I think that the Court Challenges Program would enthusiastically welcome the involvement of the provinces. It would allow the program to become involved in many very important areas of law in which there is little jurisprudence.

Once again we see the Conservative government unloading responsibilities on to the provinces unilaterally, arbitrarily, and without consultation. I would be very happy to be proven wrong on this, but to my knowledge we have had no evidence to suggest that the federal government has actively sought funding from the provinces.

This is becoming a typical pattern for this government. Abandon federal responsibilities, declare that the provinces should fill the gap, but do not actually ask the provinces or work with them to make sure it happens. We all know very well that the provinces are not exactly rushing to take on new financial commitments. This government has hit them hard enough already, and this is supposedly the government of the new federalism.

The Conservatives have described this move to cut the Court Challenges Program as a cost cutting measure, but nobody is buying that. I want to point out that according to experts such as former Supreme Court Justice Bertha Wilson, this program provided excellent value for money. It was recently brought to my attention that lawyers of the Court Challenges Program earned on average about 66 per cent or two–thirds of the salary earned by the average Canadian bar association lawyer in Ottawa.

As a member of the Standing Committee on Human Rights and the Status of Disabled Persons, I have attended every one of the meetings that the committee has devoted to this issue. We have heard from the director and other officials of the program. We have heard from a number of expert witnesses, from the Canadian Bar Association, Canadian Human Rights Commission, as well as the Deputy Ministers of Justice and Multiculturalism. Every single one of these witnesses has spoken positively of this program. They have all stated that it has been an efficient and effectively run program.

I believe there is widespread agreement in the three major parties that this program should be reinstated. The decision to abolish the program was clearly a hasty and ill–conceived move that the government has come to regret. We even heard that the Prime Minister did not know that this decision had been made. To its credit, this government has been known to reverse unfair decisions in the past. I can say that we in the Liberal Party would

applaud it sincerely for such a move. It takes courage to admit you have made a mistake.

I would remind the government that cancelling this program is a betrayal of the most vulnerable members of our society. The language and equality rights section of the charter were put there specifically to protect these groups.

The Court Challenges Program was intended to help these groups defend their rights because they are often financially unable to defend these rights themselves. If is safe to say that aside from the Reform Party, there has been overwhelming opposition across this country to this heartless decision. As I said yesterday, we know that respected groups such as the Canadian Human Rights Commission and the Canadian Bar Association have strongly criticized this move.

I want to quote from a few newspaper articles which give some indication of how Canadians feel about this decision. The following is from *The Ottawa Citizen* article of February 28. "A coalition of equality seeking groups condemned the program's death saying it makes a mockery of the charter. It essentially means that women and the disempowered groups such as the disabled community in this country do not have any access to their equality rights in the charter", said Shelagh Day of the National Action Committee on the Status of Women.

"Seven years after the introduction of the equality rights provision, we now have no way to use it whatsoever. How can anyone who is disadvantaged in this country use their equality rights? This was the one program we had". Day said the decision to cut the program had nothing to do with hard economic times. "This is just a straight ideological cancellation of a program that the government does not like. It seems to indicate that the law is for the privileged people and it is certainly not for people who are disadvantaged".

In a *Toronto Star* column on March 30, noted social policy writer, Leonard Shifrin, expressed his hope that the Standing Committee on Human Rights and the Disabled Persons can convince the government that "the price of wooing redneck votes is losing any vestige of respect from mainstream Canadians".

Mr. Shifrin quoted Jerome DiGiovanni, of the Canadian Disability Rights Council, who told the standing committee on human rights that abolishing the program made the charter inoperative for the disabled.

I would like to quote further from Mr. DiGiovanni's testimony to the committee: "The Canadian Disability Rights Council is the legal tool which will for the first time allow 3.3 million Canadians to really have access to the courts and to equality rights without discrimination. The council has been in existence since 1988. We have just barely begun to understand how systemic discrimination excludes us. The case law has not yet been written. Take the Locas case, for instance, the Swain decision where the Supreme Court said that handicapped persons had been experiencing discrimination for centuries, that they were excluded and that the time had come to redress matters. Prayers and goodwill will not correct the situation but access to the courts will. That is really the basic tool that will allow us to achieve equality". This access has again been removed by the cancellation of the Court Challenges Program.

Mr. DiGiovanni also listed a number of important disability rights cases that will not be able to come forward in the courts because of the cancellation of the program. Cases involving closed captioning of television programs for the hearing impaired; the matter of sheltered workshops and the exploitation of disabled workers; the question of access to buildings and planes and buses are vitally important issues for disabled Canadians. They find it very insulting when the government says there is enough jurisprudence. The government seems to be saying that these cases are not important, that they do not matter and, following this logic a step further, the disabled community and their rights as equal Canadians does not matter.

The minister might be interested to know that Hugh Segal, chief of staff to the Prime Minister, told this group during a meeting last week that the government should not be in the business of funding groups that take the government to court. So it is true, the cancellation of this program has nothing to do with jurisdiction, nothing to do with cost but it is to silence dissent against the government.

Finally I want to quote from the editorial in *The Ottawa Citizen* dated March 3 which had the headline "Tories pick on the weakest".

"Once in a while a worthy and inexpensive innovation comes along on Parliament Hill. The Court Challenges Program was one. Seven years ago the federal government started this program to provide funding for deserving but powerless groups to challenge federal laws and policies under the language and equality rights guarantees of the Charter of Rights and Freedoms. There was something in this sensible program for everyone. For women, the elderly, the disabled and ethnic minorities, the funding finally meant access to an effective tool: test cases of individual rights under the charter. For government and all Canadians, there was a chance to build up jurisprudence and guidance in the application of equality rights. Despite the demonstrated usefulness of this program, the federal government remains intractable in the decision to cancel".

• (1800)

I want to assure the government that this issue is not going to go away. As the Official Opposition we in the Liberal Party are not going to stand idly by and watch this program die. Human rights groups are not going to accept this decision either.

This afternoon we heard the minister of multiculturalism go on at length about how great this program is and how well it works. He even suggested that there is still a need for something like the Court Challenges Program. Why? Why, if it works so well, and if there is still a need for it, is it being cancelled?

He suggested that he is looking for ideas of creative, innovative alternatives to the program. He wants to reinvent the wheel and have someone else pay for it. I want to say to the minister that we in the Liberal Party are not interested in participating in the government's face-saving effort.

There is no need for alternatives when we have a program that works perfectly well, is cost efficient and when there is still a great need for this program. We call on the government to do the right thing and reinstate this program immediately.

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Madam Speaker, the member for Hamilton Mountain has claimed that somebody on this side spoke of having enough jurisprudence.

Nobody ever said that we have enough jurisprudence. That is not a word we use. The member for Cape Breton—The Sydneys talked about the Solicitor General saying that we have sufficient jurisprudence. Those are words that were never used.

We have said there is a significant body of jurisprudence. Just to set the record straight—I know if the Solicitor General were here, he would want to put this on the record—what he has said very clearly is this: "We think that now is the time for other levels of government, the Canadian bar and other non-governmental bodies to which most of the current court challenges pertain, to take a hand and participate in the funding of these matters. The program, we feel, has come to an end as far as this level of government is concerned. It has served the purpose and we think it is up to other groups to come forward at this time to participate in the program".

I always agree with the Solicitor General. Where is leadership? It is not just to say: "Put the money back", money that the finance minister has had in a very, very difficult time to find in one place and another so that we are able to cut taxes by cutting expenses, not by trying to increase the debt and passing it on to future generations.

If you were in touch with your constituents, you might find how well received that budget has been this time. I tell you, we are getting nothing but commendations for the magnificent work of this finance minister.

Some hon. members: Oh, oh.

Mr. Weiner: You have not been back home in such a long time, it will be a surprise for you when you do get there.

Leadership is not to say: Put back what is taken away. Leadership is to recognize that we have something that was excellent. With all the representations that have come in from the bar association, from non-governmental organizations, from new provincial governments that may very well have an interest to participate, why not let them all come forward and create a new model. It will not necessarily be something which says: If government will not do it, it cannot be done at all. That is not leadership.

Ms. Phinney: Madam Speaker, sometimes it is the responsibility of the government to take over where an individual cannot. These are people who cannot afford to challenge these issues in court. That is what government is for. It is to help people who cannot help themselves. I have sat on the committee meetings when we have been listening to the witnesses to which I believe both the ministers in the House were invited but to which they were unable to go.

Mr. Weiner: Ah, go back to sleep.

Ms. Phinney: Madam Speaker, I will continue. I said both ministers were unable to go. Read *Hansard*, it will show that is what I said.

An hon. member: I wonder what reason they had this time.

An hon. member: They are just hypersensitive, that's all.

Ms. Phinney: They were not able to come at any date that was suggested. Their deputy ministers were there. Every witness who appeared before the committee said they felt that it was a good program. They did not know where the help would come from for those people who need it. They had no suggestions as to how to help these people who cannot help themselves.

We are suggesting that this program be reinstated to help Canadians who cannot help themselves.

Madam Deputy Speaker: A very short comment, the hon. member for Port Moody—Coquitlam.

Mr. Ian Waddell (Port Moody—Coquitlam): I am tempted to comment on the minister's bunker mentality saying: "Boy, they are really welcoming our budget". He had better not stick his head out of the foxhole because it would get shot off.

The member made a very good speech which showed quite clearly that there is much to do, especially in the field of the disabled, as she mentioned. There is much to do in the jurisprudence. It is not completed yet.

The minister raised this idea—I do not know if it is a red herring or whether he is serious—of a provincial contribution. I cannot see the province funding challenges to federal legislation. Has the member had any indication from this minister,the government, any member of the government, or any government member from her committee that any of them have ever made any attempt to talk to a province or to negotiate with a province about the province kicking in money? It seems to me that this was just a big surprise with the budget. Did the member hear of any negotiations with a province? I did not.

Ms. Phinney: Thank you very much for your comments and your question. We have certainly heard from no one who has appeared before the committee that there has been any suggestion, any help, any approach from this government to private enterprise or the provincial governments asking that they should help out in any way to either finance, replace or assist the communities in Canada who cannot help themselves, who have no money.

Most provinces have no money at all to put toward a program like this and are counting on help from the federal government to keep this program going. This is obviously a rich man's charter and the poor people, the disabled, the people who cannot fend for themselves, are out in the cold.

[*Translation*]

Mr. Réginald Bélair (Cochrane—Superior): Madam Speaker, it is with great distress and sadness that I take part in this debate because the government's decision to cancel the Court Challenges Program is not only a bad joke but completely absurd. I fully agree with the comments made earlier by the member for Ottawa—Vanier who stressed that this program is essential to the minority language groups of this country, to women, to native groups and to ethnic groups. Whenever these groups felt that their rights where being infringed upon, they could turn to this program to obtain financial assistance.

Where will these groups turn now to obtain the means required to have their rights affirmed under the Charter of Rights and Freedoms?

My colleague's opinion is also supported by Mrs. Wilson, a former Supreme Court judge who expressed her dismay and sadness that this government would abolish the Court Challenges Program. As a former judge of the Supreme Court of Canada who has in many instances passed judgment on cases involving Canadian minorities, Mrs. Wilson's opinion should not be taken lightly.

• (1810)

By abolishing this program, the government is removing a unique mechanism that could be used by groups to defend their rights. It was also a relatively low cost program, if we consider that during the past seven years, the government, which was committed to spending over $8 million, only spent $4.9 million.

If we compare this cut with increases or allocations in other areas, it is a sad reflection on the government's value judgments. What about the $4 million for the Museum of Humour, the $28 million that was spent on the Spicer commission, whose report is gathering dust somewhere on a shelf in some department and has never been heard of since; and more than $20 million for the Beaudoin–Dobbie committee, whose recommendations the government has yet to endorse.

At least this was a relatively lost cost program that provided a guarantee for all Canadians that their rights would be respected and the democratic process would remain intact.

The government has acknowledged in many ways that this was a very valid and useful program, since more than 300 cases have been heard so far. Assuming that the program served us well for 14 years, why would it no longer be useful today? We on this side of the House wonder about this, because one gets the impression that the government is anxious to muzzle individuals and groups that favour equality for all Canadians.

To get back to the 300 cases that were heard by various courts across Canada, and I would refer to *Hansard* of March 17 this year, when the minister of multiculturalism said, in response to a question from the hon. member for Ottawa—Vanier, and I quote:

> This program was very beneficial, but after nearly 300 cases, according to my information, we have now created a certain body of jurisprudence.

I think we can assume that there will certainly be other cases that will be different from those that have already been heard by the courts and which deserve special attention, since they will also be useful in clarifying various sections of the Charter of Rights and Freedoms.

Speaking of the charter, perhaps I may make a very modest comment, since I am neither a lawyer nor a constitutional expert. The charter has already lost much of its impact, in my humble opinion, because of the notwithstanding clause. If we lose the Court Challenges Program as well, I wonder how the economically and otherwise disadvantaged in this country will manage to obtain official recognition of their rights?

Which leads me to say that those same groups, individuals and minorities would be in double jeopardy. They can no longer depend on this last resort in their quest for recognition of their rights. Where do they stand legally? The charter does not guarantee access to the courts for people who want to challenge laws that prevent them from exercising their rights. It was a very valuable program, a far–reaching program. It was somehow a haven for those who thought that their rights had been trampled.

If you compare this program to the charter, I believe that there is a significant difference for the reasons I have just mentionned.

I see that my time is nearly up. I would like to conclude by asking the government, in view of the modest costs involved and of the program's impact on the lives of all Canadians, to restore this program for the well–being of all parties concerned.

It would be more than unfortunate, even deplorable, if only one Canadian had his rights denied because he could not afford to defend himself. It woud be a shame.

One must always remember that what makes justice meaningful also gives meaning to a person's freedom and dignity.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I have a question for the hon. member.

I would like to read a paragraph from a letter I received from la Fédération des Franco–Colombiens in Vancouver. As a matter of fact its office is in the riding of the Minister of Justice, Vancouver Centre.

I wonder if the hon. member would comment on this statement and tell me whether he agrees or disagrees. The letter says of the cancellation of the Court Challenges Program: "Nor could the decision have come at a worse moment, smack in the middle of the constitutional negotiations. Unless Canadians are enabled to appeal to the courts to have their rights respected, constitutional guarantees of linguistic duality are so much hot air. It clearly allows that the decision threatens the very principle of linguistic duality, that fundamental characteristic

of Canada's identity. It might well cancel out all the positive effects that the current constitutional proposals could produce. The Court Challenges Program is an indispensable tool for guaranteeing the linguistic and cultural growth and development of minority official language communities".

I wonder if the hon. member would agree with that statement and agree with me that the lack of funding and the cancellation of this program is really a slap in the face to francophone groups, such as the one in British Columbia and other groups in other parts of Canada?

Mr. Bélair: Madam Speaker, I agree with my colleague from British Columbia that this is an extremely bad time to do away with this program. We are right in the middle of a constitutional crisis. This afternoon the Prime Minister pleaded with all members of this House to make an effort to recognize each other's values and traditions and also to recognize that there are minority languages in all of the provinces, be it English in Quebec or French in the other provinces.

It was an appeal to not only promote but also to protect those linguistic rights. The Constitution and the charter exist to protect those rights, but in some cases there is abuse. That is why we are concerned that employers—the federal government, its ministries, the provincial governments, corporations—would abuse the rights of individuals if this program is cancelled. It is almost synonymous to encouraging those groups that I have just mentioned to discriminate against groups or individuals in our society. The government chose a very bad time to cancel the program but hopefully it will rethink its decision and reinstate it.

• (1820)

[*Translation*]

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I would like to stress that the Fédération des Franco-Colombiens, and especially its chairperson, Mrs. Marie Bourgeois, with whom I had an excellent meeting a week ago, and its director, Mr. Pierre Rivard, are absolutely astonished by the government's decision to cancel the Court Challenges Program. According to them, this will greatly hamper their efforts to promote the rights of the Francophone minority in British Columbia.

[*English*]

I would also like to take this opportunity to make a brief comment and ask the member if he would comment with respect to another issue and that is the question of access by the lesbian and gay community to the courts pursuant to section 15 of the charter.

The minister of multiculturalism is in the House and will know that the argument has been made with respect to this particular decision, this ruthless decision to chop the Court Challenges Program is that those who are seeking justice, particularly from minority groups, can go to the Canadian Human Rights Commission and can seek justice there. The human rights commission can act on their behalf.

The minister will know that is not the case with respect to the lesbian and gay community because in their case the Canadian Human Rights Act does not include sexual orientation. They have been waiting six years for the government to keep its promise.

I want to point this out and point out the fact that a number of very important cases, whether it be the case of James M. Egan and Jack Nesbit with respect to spouses' allowance, of Graham Haig and Joshua Birch with respect to the Canadian Human Rights Act itself, Brian Mossop on spousal benefits or a CUPE pension case, could not have been funded without the Court Challenges Program.

I want to ask the member if he would comment with respect to this essential element of justice as well for a community that needs this program desperately in order to seek equality through the courts when it is denied by governments.

Madam Deputy Speaker: Unfortunately it will have to be a very brief comment.

[*Translation*]

Mr. Bélair: I would simply like to mention, Madam Speaker, that our official languages critic also went to British Columbia last weekend to meet with members of the Fédération des Franco-Colombiens, including Mrs. Bourgeois who was a member of that same delegation, in order to find out how we could assist them. The first question that was raised is this: Why has the party in power cancelled the one and only means by which we

could challenge the British Columbia government concerning school management? What do they have left?

[*English*]

Mr. Bob Corbett (Fundy—Royal): Madam Speaker, I am pleased to be taking part in this debate on the hon. member's motion. It is an important motion and certainly deserves a lot of serious consideration.

Hon. members will be well aware of the tremendous gains made in equality in language rights since the Court Challenges Program began in 1978. This government has been and was an enthusiastic supporter of the program and there are numerous examples of court cases that attest to the program's successes.

I think my hon. friend will be quite interested in hearing about some of the programs and some of the very successful court cases the program has funded to advance the rights and freedoms we enjoy as citizens under the Canadian Charter of Rights and Freedoms.

Let us examine equality rights. In 1989 the first case to reach the Supreme Court of Canada was brought by a British born lawyer who was refused the right to practise law in British Columbia because he was not a Canadian citizen.

The Supreme Court struck down the requirement, citing section 15 of the charter. But the decision did more than permit non-citizens to practise law, it laid the foundation for the future interpretation of equality rights. The Supreme Court went on to make a series of decisions that have expanded the scope of human rights statutes.

All six judges who heard the case agreed that the citizenship requirement violated equality rights in section 15 of the charter. A four to two majority decision held that the law was not saved by section 1 of the charter, which allows reasonable limits on equality rights. As a result of the decision, we now have a clear understanding from the Supreme Court what equality rights mean.

Another example of an equality rights case funded by the program dealt with the denial of the right to vote. It challenged the section of the Canada Elections Act which denied the vote to persons unable to manage their property because of mental disability.

Just before the case was heard in Federal Court, this government agreed that the section violated the charter and should be struck down. One hour later the Federal Court agreed with the government and invalidated that section.

The result of this challenge by the Canadian Disability Rights Council is that many of our citizens with mental disabilities were able to vote in the 1988 federal election. As well, my hon. friend will be pleased to know that the case helped to challenge widespread assumptions that stigmatized persons with mental disabilities.

In another interesting case funded by the program, a man argued that as a natural father he should not be denied parental benefits under the Unemployment Insurance Act when those benefits are available to an adoptive father. The Federal Court agreed with him and ruled that the UI act violated section 15 of the charter.

The Court Challenges Program funded an Ontario children's rights organization representing a young offender who argued that the provincial government's failure to establish alternative measures programs for young offenders violated his equality rights under the charter.

In ruling in the young offender's favour, the trial judge said the Attorney General for Ontario had a duty to authorize alternative measures programs. The ruling was upheld by the Ontario Court of Appeal, but the Supreme Court of Canada ruled that his rights had not been violated and the court referred to the value of diversity in our federal system and the importance of federal-provincial co-operation.

The Court Challenges Program gave funding support to the Women's Legal Education and Action Fund so it could argue a case concerning the interpretation of the provisions of the Canada Pension Plan for credit splitting when a couple separates. The trial judge ruled that the husband was entitled to the full CPP benefits so his estranged wife appealed the decision to the Ontario Divisional Court. It ruled that the Canada Pension Plan cannot be interpreted in such a way that it waives credit splitting rights.

These are just a few of the many successful cases that received funding support through the Court Challenges Program.

I remind hon. members that during the life of the program this government contributed more financial support that any previous government. The program funded up to $35,000 for each court level challenge and up to $5,000 to develop a case.

Canadians have every reason to be proud of this program. We have invested more in the Court Challenges Program than any other country in the world. I say to my hon. friend, not only have numerous cases been resolved under the program, but many more cases have helped to raise awareness among Canadians of several issues that must be dealt with if we are to ensure that this great nation continues to place a high value on equality for all its citizens.

The Court Challenges Program has enabled access for many more groups that for one reason or another are at a disadvantage to the justice system. For example, the Canadian Council of Churches received program funding to challenge many sections of the Immigration Act. The council believes the act violates equality rights.

To assure hon. members that the government had a strict hands-off policy regarding the Court Challenges Program, I must point out that the government argued that the Council of Churches did not have the standing to bring its case to court, but the Federal Court refused to strike down the council's case. The government appealed that decision but the Federal Court of Appeal ruled in the council's favour and the program is now funding the council's appeal to the Supreme Court of Canada.

• (1830)

The government has found it necessary to bring the program to a conclusion. However, as we have already made clear, the government intends to honour all its commitments made prior to February 27 of this year. These commitments include the one made by the program to the Canadian Disabilities Rights Council, which is challenging a section of the Immigration Act frequently used to bar families from immigrating to Canada if the member of that family has a disability.

The program has already funded a number of similar cases but the government settled each of them out of court. The program is now funding the council rather than more individuals so that the case can be argued on behalf of the entire group affected under the Immigration Act.

Many of the cases I have mentioned dealt with and deal with equality rights because that is a key section of our Charter of Rights and Freedoms. However there are other concerns as well, such as those expressed by Victims of Violence. This community organization is disturbed about barriers to justice that can hinder a person with a disability who needs to give evidence in court.

The program is helping Victims of Violence develop a case on the potentially discriminatory impact of the Canada Evidence Act on people with disabilities. It wants the court to consider options such as allowing videotaped or written testimony for individuals unable to testify in person.

The Court Challenges Program will also honour its commitment to the Canadian Ethnocultural Council to help it research the question of access to the courts for persons with complaints of discrimination under the Canadian Human Rights Act.

Hon. members may know that currently only the Canadian Human Rights Commission can deal with complaints. The council is concerned that complaints of discrimination may not be dealt with effectively or promptly by the commission. It believes that individuals should have access to the courts in these matters.

Prejudice is widespread in our society. Unfortunately, judges are not immune to it. Members of disadvantaged groups frequently raise concerns about alleged discriminatory attitudes and rulings of judges. In that regard, the program has funded the Inuit Women's Association of Canada to help it examine the sentencing practices of judges in the Northwest Territories in cases of sexual assault against Inuit women.

The Court Challenges Program was originally intended to help citizens who wanted clarification of language rights through the courts. Financial assistance was provided to groups and individuals for test cases based on the language rights provisions of the Constitution. My hon. friend will appreciate that the program was intended to serve as a tool to promote our two official languages. It has done that, and the government is proud of what the program has accomplished in promoting the recognition and implementation of minority language rights across Canada. Through the program we have

enhanced the vitality of the English and French linguistic minority communities.

It has been a decade since our charter became law. During the past 10 years the Court Challenges Program has been extremely useful in helping to advance the rights and freedoms enjoyed by Canadians. It has certainly strengthened the laws of Canada and influenced attitudes as we strive to ensure equality for all citizens.

However, nothing remains constant. This nation is going through many changes, as are countries throughout the world. We are not abandoning support of our basic rights and freedoms. We have many programs that address those issues and the government will live up to its commitment to provide funding already granted by the Court Challenges Program.

Yes, this government can be very proud of its accomplishments under the program. We have not shied away from giving the program the freedom to operate independently. However the hon. member knows, as do all hon. members, that we must make tough decisions to get our financial house in order. It is time to ask our provincial partners and private sector groups to share the burden and take on additional responsibilities in the area of implementing equality rights for Canadians.

I say to my hon. friend: "Let us work together to ensure the equality of all Canadians. Let us build on the foundation of the Court Challenges Program. Let us move forward and make this magnificent land a place in which all Canadians, whether citizens by birth or citizens by choice, will be equal under the law and full participants in their communities".

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I have a question relating to some of the comments made by the member, particularly dealing with the appeal process.

We all know that court cases start at trial level and proceed up to other levels of the justice system until they get to the Supreme Court of Canada.

The Minister for Multiculturalism and Citizenship said today when he made his statement in the House that the government will honour its funding commitment: "For the level of court at which funding was approved". Most of the cases funded by the Court Challenges Program are at the trial court level.

Therefore, I want to ask the member if he has inquired of the government or of the Minister of Justice, and since she is here maybe she would like to inform him, what the government proposes to do to ensure that the cases funded by the Court Challenges Program, which will be honoured, will continue to be funded if they proceed to appeal without imposing on those minority groups—the underprivileged, linguistic, women, multicultural groups—the onerous financial costs incurred by an appeal to the decision at a court level which has been approved for funding.

My question is simple. Is there an answer for these groups that find themselves in a very difficult situation? They have been approved to go to a certain level, that has been guaranteed. What happens if there is an appeal?

Mr. Corbett: Madam Speaker, I can well understand the hon. member's concerns about commitments that have already been made to previous groups because when his party was in power there was a blatant disregard for commitments made by his administration for future undertakings when it came time to pay the piper.

The fact of the matter is that this government, of which I am proud to be a supporter with all good reason as the record will show, honours its commitments. It has made the commitment that it will honour those cases that have already been funded under the process. It will see them through to fruition.

I see the hon. minister shaking his head in the affirmative, agreeing that this is the case. Although I am not privy to decisions that are taken in cabinet the fact of the matter is that when cabinet ministers of this government advise me that certain things will take place then I have no difficulty in accepting their word at face value. I am sure that as these groups express their concerns—and he mentioned underprivileged groups, women's groups, minorities and a host of others.

On this side of the House we are extremely proud of the work. I understand that when this program began there was very little funding required because there was very little activity in that direction. This year and in previous years this government has been providing funding to the tune of up to $2.5 million a year to assist

these groups. Provided they qualify, these groups are entitled to $35,000 per litigation. They qualify for up to $5,000 for case developments.

In extreme cases, if there is a further requirement for funding up to $25,000 per level of court case can be funded, and probably has been funded on many different occasions by this government which I am proud to be associated with.

• (1840)

I want to assure all of those groups that the hon. member mentioned that should they have concerns about their future, provided they are already under the umbrella of the program they will be dealt with fairly and equitably by our government.

Mr. Svend J. Robinson (Burnaby—Kingsway): Madam Speaker, I want to put to this vigorous supporter of the government a question concerning a couple of women, Christine Morrissey and her partner, who are challenging the policies of the Canadian immigration department which deny them the right to remain together as a family unit. They are challenging this policy which discriminates against the lesbian and gay community, and that challenge is being funded by the Court Challenges Program.

These women have not yet had this case come to trial. When the case comes to trial presumably the commitment initially made to them with respect to the trial will be honoured—that is the understanding I have. However, what happens beyond that, when the government appeals, as the government has appealed in each and every instance? This is a government which claims to be concerned about the rights of minorities, yet in each and every instance in which those rights have been trampled on this government has appealed, has taken it to a higher court.

I want to ask the member a very specific question. The program is being dissolved. There will no longer be any administrators of the program, there will no longer be any funds for appeals. What will happen to Christine Morrissey and other women and men like them who rely on this program to assert their rights under the charter? What will happen to these people and how will they be able to pursue this case in higher courts?

Mr. Corbett: Madam Speaker, unless I have missed something in the question, it seems that the question put by the hon. member is the same as the question put by the previous questioner. The answer is obviously the same. Any commitments undertaken by this government, whether to these two women that the hon. member brings to the attention of the House or any other groups, will be carried on to fruition and conclusion.

The hon. member may make all kinds of comments about how we are appealing decisions and taking decisions to court but the fact of the matter is that I have just read into the record a litany of people who have successfully accessed the program, despite the fact that the federal government from time to time makes a decision because that indeed is its responsibility. After all, it is the responsibility of the government to implement and introduce into the House legislation and deal with the Constitution and the charter in a way that it sees fit, as the electorate has put it in place to do.

It is to the credit of the government that despite all of that it has supplied a large amount of money on a consistent basis, in excess of $2.5 million in the past year and a substantial amount of money in the years leading up to that. We are extremely proud of the record that we have of supporting groups such as the hon. member and others in the House have mentioned.

It is important that in the future they take up the challenge that we have laid down. The minister and I have told our provincial counterparts and other civic-minded groups that there must be ways other than constantly relying on the federal government as a cash cow because the taxpayers of this nation have said: "Enough is enough. We must come to grips with the rising debt. Taxes can no longer afford to be increased at the expense of the taxpayer".

My hon. friend is a strong supporter of the NDP government in British Columbia and I dare say that there are many out there that he would like to assist that fall into the category he has already referred to. I would ask that he go to his counterparts in the provincial Government of British Columbia and ensure that they understand the importance and the willingness of our federal government in Ottawa to share with them the opportunity to put together programs. Together we may be able to effectively deal with the program that has been proven very successful in the past.

Now the time is upon us when we must move and make the changes that are necessary as we evolve in a changing world.

Mr. Gauthier: Madam Speaker, I rise on a point of order. I listened very attentively to what the member for Fundy—Royal just said. I take him to be a serious individual and I have a serious point of order.

He is speaking with some authority in assuring the people of Canada in this House and those who are listening that the government will indeed fund appeals to the court cases at the level they have been approved. That means that the government policy announced by the minister today is either misunderstood or has changed while this debate was going on.

Can we get unanimous consent to have the minister to clarify that question for us now, for all Canadians to understand? Where does the government stand on appeals of these cases that have been approved?

Madam Deputy Speaker: I think the hon. member knows very well that is not a point of order. It is a question of debate. With unanimous consent we can debate it, but I do not see anyone rising to answer this point.

Mr. Neil Young (Beaches—Woodbine): Madam Speaker, usually I rise on these debates in the House and start my remarks by saying I am pleased to be able to contribute something to this debate. I cannot say it on this particular motion because of the serious impact that it will have on thousands of Canadians in the future.

This country has just gone through a period of constitutional renewal. In fact we are still in the process. It has been a process of inclusion through which we have attempted and are still attempting to include an entire province in the Constitution of Canada.

The Charter of Rights and Freedoms is an integral part of our Constitution. It is important we understand that with this removal of $2.7 million that supported the Court Challenges Program we have effectively made the Charter of Rights and Freedoms meaningless to thousands of Canadians. They will not be able to go through the courts to redress wrongs that may be perpetrated on them in the main by arbitrary acts of the federal government.

In the main the government has presented two arguments to the House. One was that there had now been a basis of jurisprudence established that made the Court Challenges Program no longer necessary. The other argument, which was just presented by the hon. member for Fundy—Royal, was that there was a need to reduce government expenditures, that that was the reason why the program was terminated.

I am a member of the Standing Committee on Human Rights and the Status of Disabled Persons. After the government action came to our attention through the estimates, we decided to examine both of those arguments to determine whether they stood up under close examination.

In the course of the last two or three weeks, we have had what I consider to be expert witnesses with a special understanding of the Court Challenges Program appearing before our committee. We asked nearly every witness those two questions: First, is there a basis of jurisprudence established that no longer makes the program necessary? In every case the response was: "No, there has not been".

To put that in perspective, one witness that appeared before the committee, the Canadian Bar Association, pointed out that after 200 years of having the constitution in the United States enacted, there continues to be litigation to determine the exact meaning of the American Bill of Rights. That is no less true with the Canadian Charter of Rights and Freedoms.

• (1850)

We asked the minister's own deputy minister what reasons she could provide for the cancellation of this program. The deputy minister's response was that it was purely a method of reducing costs. There was no other reason. Jurisprudence did not come into it. All those other arguments we have heard did not come into it. It was a straight cost cutting measure.

If that is the real reason, and I rather suspect it is, it is a crying shame. What it means in effect is that if one has personal wealth or access to a lot of wealth, one will be able to go through the courts to determine one's rights under the Charter of Rights and Freedoms.

The recent case we have heard was the one on pornography. If a federal law says that individuals making all kinds of bucks peddling pornography cannot do that, they can work their way through the charter and up

through the courts to ask the courts to give them that right.

However, if one happens to be a single woman—I am trying to use the worst case scenario—a disabled individual, or a person at the low end of the socio-economic scale, one will not have the means to use the charter to establish one's rights. It is as simple as that.

When we consider the importance of that $2.7 million program to the rights of Canadians, I think it was a bad economic error to cancel it.

The argument has been made that if we all think this program is so important we should be asking the provincial governments to pick up the cost. We have been told that people's rights can be protected through government departments, even though in the first instance it is the federal departments and legislation that are denying these people their rights.

It has even been suggested that the Canadian Human Rights Commission or the Official Languages Commission could protect those rights. We asked the human rights commissioner whether or not he was empowered to do just that, or whether he would have been able to do that when he was the commissioner of official languages. He answered unequivocally that he could not and neither could the official languages commissioner.

Then it was suggested that perhaps an individual who did not have access to wealth could go through provincial legal aid systems. We were told that once a case had been established to proceed it could cost anywhere around $300,000. Provincial legal aid systems are not structured to do that kind of thing.

In effect it means that if individuals out there do not have a friendly lawyer who is willing to donate up to $300,000 or in excess of that to challenge federal laws through the courts, or if individuals do not have the money, then they are not going to be able to do it. Only rich folk are going to be able to do it. I think people should understand that.

I make a plea to the minister who is listening carefully. I really think this was not well thought out at all. It would appear from our questioning of officials before committee and the responses we received to these questions that indeed it was not well thought out.

As far as I could determine no cost benefit analyses were done on how much the government would actually save by retaining the program. There was none of that. It just seemed to be that somebody came up with the bright idea that federal spending could be reduced by chopping this program.

Knowing what impact the termination of this program was going to have, at the very least I think the government should have said: "Look, we don't think we can continue to fund the program. Let's at least first explore various avenues, whether through the Canadian Bar Association, provincial governments or any other available means, before removing the program".

Now that has done been, at the very least I think the government should seriously consider extending the program until that kind of work has been completed, not only in fairness to itself but in fairness to all those Canadians who are going to be adversely and seriously affected by the termination of this program.

Mr. John Nunziata (York South—Weston): Madam Speaker, I would like to ask the hon. member about obligation. I do not want my comments to be construed as in any way supporting the government's position and action in this regard. My question for my colleague is with regard to the obligation of the legal profession in Canada.

As a member of the legal profession it seems to me that the profession has a responsibility. What we are talking about here in effect are legal fees that must be paid to lawyers in order to litigate certain cases that are constitutional test cases.

We know that lawyers do quite well *vis-à-vis* the federal government in terms of the amount of money that is transferred to the legal profession for work they do. They are paid handsomely, I would submit.

I was at a committee the other day and we are paying an outside lawyer $600 a day to sit there and help draft legislation notwithstanding that we have lawyers in the Department of Justice.

My question to my friend and colleague is: What obligation does he believe the legal profession has? Does he not believe that the legal profession has a responsibility in these cases? I am not talking about single practitioners or lawyers who might not be able to afford it. Is he aware of what programs major law firms have right across the country to help fund these types of cases on a *pro bono* basis? Is he familiar with what efforts the legal

profession is making as a contribution to this type of litigation to ensure that people with legitimate cases that ought to be litigated *vis-à-vis* matters affecting the Constitution have an opportunity to do so?

Mr. Young (Beaches—Woodbine): Madam Speaker, that is a legitimate question. Indeed it is one that we asked the Canadian Bar Association and others who appeared before our committee.

It is worth pointing out—and the hon. member for Fundy—Royal mentioned it in his speech—that around $35,000 is provided under the program for each case. It costs anywhere around $300,000 to take the case through the system. The only way it can go through the system is by the Canadian Bar Association and its member lawyers providing what they call *pro bono* service, which is initially free service or for much reduced fee charges.

The Canadian Bar Association and its members have actually given the Canadian public a very good deal. When we take the $2.7 million that has been chopped from this program and weigh that against the value that Canadians have received under this program by free work by lawyers, by reduced work by lawyers, I think we got a basement bargain deal. Why we are destroying that is beyond me.

• (1900)

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I just want some clarification. The member for Beaches—Woodbine was at the committee. I have just heard a question by the Liberal member from Toronto who appears to be advocating, unless I am wrong, that this become a matter of charity from the bar. I do not know if the Liberals have two positions on this.

I understood from all their speakers today that the Liberals had been for this Court Challenges Program. Now we have a Liberal who stands up and seems to say it is the charity of the bar that has to do it. You cannot be all things to all people. The Liberal Party cannot do that. It cannot keep doing that and have any credibility in Canada. I have to tell the hon. member from Toronto that.

I want to ask the hon. member for Beaches—Woodbine, what position did the Liberal Party take on the committee? Did the Liberals appear to be in favour or against the cutback of this program? The member said very brilliantly that one, the program is needed; two, that it is a sad case to cut back and it is wrong; and, three, that it cannot be done through the charity of the bar. It has to be done as a proper program.

As a lawyer who did public interest programs, these cases also have to be co-ordinated. It is not just hit and miss. That is where the member for York South—Weston is wrong if he is advocating that it be the private bar.

I am angry because the Liberals cannot have two positions on everything. I want to ask the hon. member for Beaches—Woodbine: What position did the Liberal Party take in the committee?

Mr. Nunziata: Madam Speaker, on a point of order, the member from Vancouver is clearly misconstruing and misinterpreting my position. Now if he wants to score some cheap political points he can. But I could ask him what his government at Queen's Park is doing or what his government in B.C. is doing.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have no hesitation in rising to support this motion which calls for the restoration of the Court Challenges Program. I would like to congratulate the Liberal member for Ottawa—Vanier for bringing this motion to the House.

It appears that the government is arguing that the Court Challenges Program must be cut in order to reduce the expenditures and consequently to control the public debt of the country.

Canadians should know that this program costs only $2.5 million a year, perhaps a little less. It has been suggested before in this House that we could save the same amount of money if we cut back the tremendous amount of clipping services and media analysis that goes to the Prime Minister's office every single day. The polls that he does at the end of his media interviews. Most Canadians feel that that kind of money is wasted.

Yet the Court Challenges Program is an excellent expenditure of taxpayers money and should be continued.

The problem is that we have a Constitution. The Constitution contains the Charter of Rights and Freedoms.

Mr. Nunziata: Bob Rae?

Mr. Skelly (Comox—Alberni): Madam Speaker, the member can stand up in the House and make a speech if he wishes. But he should be called to order at this point for his irrelevances.

Madam Deputy Speaker: Heckling during debate is sometimes part of this House. The Speaker will not intervene unless things being said are really unparliamentary or if the person who has the floor asks the Speaker to intervene because he or she finds it difficult to continue. I will give the floor to the hon. member for Comox—Alberni.

Mr. Skelly (Comox—Alberni): Madam Speaker, we do have a Constitution and a Charter of Rights and Freedoms and they do create problems for people in this country.

Not all constitutions are protective of people's rights on the face of them. I recall that back in 1933 the best constitution in the world was delivered to the Soviet people by Joseph Stalin. It guaranteed minority rights, it guaranteed national rights, it guaranteed individual rights. It guaranteed all sorts of things, but nobody had access to the courts in order to establish their access to those rights. As a result, millions of people went to the Gulag and millions of people died when they tried to establish their rights that were guaranteed in that Soviet constitution.

The same thing applies here in Canada. Unless there are the mechanisms and the provisions in effect for people to guarantee their rights under this Constitution and the Charter of Rights and Freedoms it does not operate on its own. It does not have a mechanism to enforce itself. People have to challenge for their rights and that is why we have that Constitution.

Without assistance, the vast majority of people in this country would not have access to the judicial system in order to pursue their rights. That has been demonstrated hundreds of times over. That is the reason we have this Court Challenges Program in the first place.

I would like to quote a section from a paper written by the now hon. Andrew Petter who is the Minister of Aboriginal Affairs in the Government of British Columbia. He wrote this paper when he was an assistant law professor at the University of Victoria. He notes how in charter cases the judicial process discriminates against the financially disadvantaged and in favour of the wealthy.

Let me make a few quotes from Mr. Petter's paper. He says: "There are two features of this system that make it a particularly inappropriate forum for advancing the interests of the disadvantaged. One is the cost of gaining access to the system. It will come as no surprise to those familiar with the process of litigation to discover that the cost of mounting a charter challenge is extremely high. The successful action of Southam newspapers to have a search of its business records by anti-combine officers struck down under the charter took two and a half years and cost Southam about $200,000.

The charter challenge brought by Merv Lavigne against the compulsory collection of union dues for political purposes at the time this paper was written, had already cost the National Citizens' Coalition, the right-wing lobby funding the challenge, about $400,000 and the case, at that point, had only proceeded as far as the Ontario Supreme Court.

For people to take actions under the Charter of Rights through the whole court process is an extremely expensive undertaking and many of the people in Canada who need access to that process simply cannot afford it. Without the assistance provided in this program those people are not going to be able to take advantage of the Canadian Charter of Rights in order to establish what their rights are."

Now Southam corporation and the National Citizens' Coalition, which is financed by a large number of corporate donations, do not have any problems getting government funding because their court actions are considered a cost of doing business. They can right it down against their income taxes so that you and I and rich and poor alike in this country end up paying for their challenges under the charter.

The only problem is that for those poor, for those disadvantaged people in this country there is no access to the courts if this program is done away with.

A number of cases have been mentioned by my colleagues speaking in this House over the last short period of time. Some of them in fact come from my riding. One of the cases in fact was the case of Jim Egan and John Nesbitt who are residents of the Comox valley in my riding.

Now these men have lived together on a same sex relationship for something like 40 years. It is a long established relationship. They in fact have grown old together. Unfortunately they are not the same age so that one is now entitled to his old age pension and the other, had he been of a different sex, would have been entitled to the spouses allowance.

How can somebody who is in receipt of old age pension and is in need of a spouses allowance, how can somebody in that type of financial condition take this issue to court and have any reasonable hope of having the court respond when he really does not have the money to do it.

These people took their case to the first stage, to trial division in the Federal Court. They ended up with a judge who brought down a regressive decision that actually set back the rights of those kinds of couples years and years.

• (1910)

They were hoping to be able to go on through the appeal process, through the higher courts. In fact, they were promised by the Court Challenges Program that the funding would be there and they could proceed to have this resolved in the upper courts so that one of the same sex partnership would end up being entitled to the spouse's allowance.

Unfortunately your program cut them off in mid process and left the state of the law with respect to same sex couples worse than it was before the process started.

I heard the member from New Brunswick state that cases that are in process now are going to continue in process until they have a resolution.

I am wondering if that would apply to the Egan–Nesbitt case. Are they going to be permitted by the Court Challenges Program to finish the process until they get a final decision in the upper courts or are they going to be cut off and leave the state of the law in Canada with respect to individual rights in this case worse than it was before the process started.

It is very important that a lot of these cases that have been left hanging have resulted in the law being even worse than it was before those cases started.

This minister and I have had a number of words over the years about programs which have been cut by his ministry when he was Secretary of State. Unfortunately those cuts had been directed at the people who were least responsible for the deficit and who were the least able to fight back, the weakest, the poorest, the most disadvantaged.

This was the minister who cut off the aboriginal communications program when he was responsible for the Department of the Secretary of State.

This was the minister who cut off the aboriginal representative organization funding program, the AFN and other organizations that represent aboriginal people across this country when he was Secretary of State.

This was the minister who cut off support for women's centres across the country when he was Secretary of State. Now that he is minister of multiculturalism, he again takes a direct attack on those who can least afford it. He does this through the Court Challenges Program.

Is it something about this minister or is it something about this government? Why is it that they constantly direct their attacks against those who are poor, disabled, disadvantaged, those who can least expect to defend themselves. That is my problem with this.

Again, I would like to thank the member for Ottawa—Vanier for bringing this motion forward. I would hope that the government would respond more positively to it. Unfortunately, this is a government that is extremely secretive and extremely close in the way it holds power to itself and does not let that power out to the people.

We do not have an ombudsman in this House as we do in virtually every province across this country. We do not have other mechanisms in this House to allow citizens to have input and challenge for their rights.

The Canadian Human Rights Commission is considered a toothless body because it has very little in the way of power that it requires in order to assist citizens who feel they have been the object of discrimination and injustice.

Is it something about this government? Is it something about this minister? All I am saying is that something has to be done. I hope the government and this minister in particular will reconsider the decision he has taken on the Court Challenges Program so that the disadvantaged will not be further disadvantaged in pursuing their rights under the Charter.

Mr. John Nunziata (York South—Weston): Madam Speaker, I will be brief. Let me make it very clear. I do not support the government and the Liberal Party does not support the government's decision to terminate the Court Challenges Program. It was not a wise move.

What I take exception to is the self-righteousness, the holier-than-thou attitude of the members of the New Democratic Party. They know that the administration of justice is a provincial responsibility. They know, and their members have indicated time and time again, that it costs $200,000 or $300,000 to litigate a case. Surely the issue is not only with respect to the Court Challenges Program, but what ought to be done in order to improve access for all Canadians, not only those to the courts and not only those who are challenging the provisions in the Charter of Rights and Freedoms or in the Constitution.

The NDP has a provincial government at Queen's Park and provincial governments in British Columbia and Saskatchewan. If they are so pure and so holier than thou, let me ask what their governments are doing, given the fact that the administration of justice is a provincial responsibility. What are these hypocrites doing in order to ensure—

Madam Deputy Speaker: Order. I think the hon. member might care to withdraw and rephrase his question.

Mr. Nunziata: Madam Speaker, I will withdraw the reference to hypocrisy.

I would like to ask the hon. member what Premier Bob Rae or Premier Romanow or Premier Harcourt are doing in order to improve access to the courts for ordinary Canadians?

Why does the NDP not put its money where its mouth is and stop being so self-righteous and holier and thou, and tell me what those guys are doing in order to ensure that all Canadians have access to the courts. He cannot speak out of both sides of his mouth.

Mr. Skelly (Comox—Alberni): If I could speak out of both sides of my mouth, Madam Speaker, I would be a Liberal.

I am prepared to put up the record of the NDP governments in Saskatchewan, in Manitoba, in Ontario, in Yukon and anywhere else against any Liberal provincial government, or in fact any Liberal national government, when it comes to defending human rights, when it comes to assisting people and obtaining their rights through the courts under programs similar to this. We stand second to no political party.

But I think the member should have talked about what the Liberal governments did in this country. They did absolutely nothing and that is why we are in the situation that we find ourselves in now.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, if the hon. member for York South—Weston would tone it down a bit and look, he might realize that the Ontario government has instituted another look. As Kathleen Ruff said in a speech here on the Hill last night: "another look at how they could make human rights laws effective". They say that we have a human rights law but we have to somehow make it effective and workable. They are looking at all these areas, and they have specifically given that mandate to a group and Ms. Ruff is working with that mandate.

I do not understand the hon. member. This is a Liberal motion; this is a motion from his own party.

Mr. Nunziata: Yes and we support it.

Mr. Waddell: Does he support it? He just said that lawyers should give charity a few minutes ago. I do not know, the critic better grab him and get the Liberal position together so they do not talk out of both sides of their mouths.

An hon. member: He's a closet Tory.

Mr. Waddell: I want to ask the hon. member from Comox—Alberni this. The hon. member who spoke gave a very eloquent speech. He mentioned the Egan case and the difficulty that sometimes great cases that establish advances in human rights are lost in the trial division, but ultimately win in the higher courts.

I think a perfect example, and I wonder if he might acknowledge this, was the Nisga case. In the early seventies, Tom Berger, a lawyer in Vancouver on behalf of the Nisga nation, brought a case, lost in the lower courts, I believe lost in the Court of Appeal—if my friend would help me—and a divided Supreme Court of Canada allowed political pressure in this House and elsewhere to convince the government for the first time to really recognize aboriginal rights and we have moved on from there, of course.

I want to ask the member if he could confirm that point and reiterate once again why it is necessary that these cases go to the highest court of the country.

Mr. Skelly (Comox—Alberni): Yes, Madam Speaker. Maybe I will go back to an even more remote case where the United States Constitution guaranteed equal rights to all of its citizens regardless of race, creed, colour or nationality, whatever. That was understood to mean that everyone had the right of access to schools of the same quality. It was not a simple guarantee written into the Constitution or the Bill of Rights of the United States that provided that. Ultimately those children in the United States who were black had to win their right to go to quality schools at the point of a gun. The U.S. army had to be sent into some states of the United States that refused to obey the Constitution.

• (1920)

What is needed is mechanisms by government to challenge, through the judiciary, the Constitution on behalf of disadvantaged people if we are going to avoid the kind of situation that we had in the United States back in the 1950s. I encourage this minister and this government to keep the Court Challenges Program in place. It is an examination of what the alternatives are. This is a valuable program, we should—

Madam Deputy Speaker: I am sorry, the time has expired.

Mr. Murray W. Dorin (Edmonton Northwest): Madam Speaker, I am pleased today to be able to join in this debate about the Court Challenges Program. Before I begin my intervention, I would like to remind members that this Progressive Conservative government has put more funding and political will into ensuring human rights for all Canadians than any other government in our history.

No other government has created anything like the Court Challenges Program but now the time has come to share the responsibility. Times are tough; money is short. We all know that. What we should be exploring here today is a new direction that involves natural partners like the provinces, the territories, the Canadian Bar Association and the law societies.

First, let me put the Court Challenges Program into the context of all the programs which currently serve to support language and equality rights.

As members will have read in the 1989 official languages annual report, the Official Languages Act, administered by the Secretary of State remains a key law in support of linguistic minority groups. It fully covers both anglophones in Quebec and francophones throughout the rest of the country. It gives that department the mandate to insist and support the development of linguistic minority communities and to promote complete recognition and use of both official languages. That mandate has not changed.

The rights of these citizens are laid out for all to see in our Constitution. By no means is this government abandoning that set of legal statements, but the use of our judicial system is the only way to ensure the protection of human rights in Canada. We must continue to develop other systems through negotiation and co–operation with other levels of government, with human rights lawyers and with advocacy groups by which linguistic and social rights are safeguarded.

Federally we shall continue to pursue the values of Canadian citizenship that influence our daily lives: equality and participation. In addition to the official languages program, the programs of the Department of Multiculturalism and Citizenship and Secretary of State remain in place.

We have, for example, a disabled persons participation program. Since 1985 project funding and technical support from the Disabled Persons Participation Program Fund have helped organizations work to change the attitudes, systems and practices that have kept persons with disabilities from getting jobs and gaining access to buildings, goods, services and information. In 1991 the program was expanded to include a partnership fund so that other relevant organizations can join with groups of people with disabilities to address these issues which are important for all Canadians.

The projects funded under the Disabled Persons Participation Program must relate to one of three objectives. First, representation, that is to enhance the capacity for persons with disabilities to represent effectively their rights and responsibilities as Canadian citizens.

Second, improvement of access, to support the development of community-based mechanisms aimed at addressing attitudinal, institutional and informational barriers excluding persons with disabilities from participation in Canadian society.

Third, to create new solutions, that is to facilitate the development by people with disabilities of innovative approaches to participate fully in the social and economic life of Canada.

The achievement of full participation on the part of persons with disabilities will occur only if their concerns are taken into consideration by all sectors of society: business, labour, governments and other organizations. To ensure this happens, groups of persons with disabilities must be able to effectively represent their membership and their issues. This requires groups to be well organized, informed and functionally able to work on behalf of their members. For example, a disability group could bring its membership together to conduct leadership development training workshops, or in collaboration with native band councils, address the needs of persons with disabilities on reserves.

Improvement of access means improving access to education, housing, information and other goods and services in our communities. For example, what are the particular needs of students with disabilities? How can we improve access to services for people living in rural communities?

Your project should address specific, concrete issues and have the potential to initiate change. For example, one could establish a community coalition on transportation for seniors and persons with disabilities to identify issues and present them to the local transportation authority. Or one could share information and ideas with the media about how terminology shapes the way in which persons with disabilities are perceived and could identify current accepted terminology that portrays them in a positive light.

In some cases there are no readily apparent solutions to the issues facing persons with disabilities. In these instances, organizations have to come up with innovative ideas to enable them to take part in all aspects of Canada's social and economic life.

These initiatives could show businesses the capabilities of persons with disabilities and demonstrate that there are different ways to do tasks on the job. Examples of innovative approaches are the establishment of an independent living resource centre to address cross-disability information and community participation needs in a particular community, or the development of a transitional education training program for use with the disabilities.

As well, the government has the race relations and cross-cultural understanding program. Multiculturalism in the 1990s is about removing the barriers to full participation, full contribution and full citizenship of all Canadians, regardless of their background or cultural heritage.

Canada's multiculturalism policy plays a role in helping to adjust to Canada's growing cultural diversity, in promoting Canadian unity and in ensuring that all Canadians participate actively in the social, cultural, economic and political life of Canada.

Canada's approach, integration through effective multiculturalism, is preferable to assimilation and other means of dealing with a diverse mix of ethnocultural backgrounds.

Despite recent well publicized concerns about multiculturalism, we now have reason to believe that the majority of Canadians understand the importance of having a multiculturalism policy and programs.

In July 1991 an Angus Reid national survey found that 76 per cent of Canadians understand that multiculturalism refers to Canadians of every ancestry. Seventy-seven per cent of Canadians feel that our multiculturalism policy enshrines Canada's culture and an overwhelming 85 per cent strongly supports equality among all Canadians as an objective of multiculturalism policy.

Support for the policy's integration objectives is at a level of 73 per cent, and support for its role in helping Canadian society to deal with cultural diversity is at 74 per cent.

Racism and racial discrimination affect the lives of all Canadians, regardless of their age. There can be no doubt that we all want to enjoy a fair and friendlier Canada, not a land divided by racial tensions. We share the responsibility of supporting each other in building a dynamic and forward looking multicultural society of which we can all be proud, and which includes us all.

The Canadian Multiculturalism Act sets out the policy of the Government of Canada to promote the full and equitable participation of people and communities of all origins in the continuing evolution of Canadian society.

The act also calls on the government to assist in the elimination of any barrier to such participation. It commits the government to promoting the understanding and creativity that arise from the interaction between individuals and communities of different origins.

In addition, it encourages and assists the social, cultural, economic and political institutions of Canada to be both respectful and inclusive of Canada's multicultural character.

The objectives of the race relations and cross-cultural understanding program are to foster the elimination of racism and racial discrimination, to assist Canadian institutions in becoming responsive and adapting to Canada's multicultural reality, and to promote cross-cultural understanding and the principles of equality and access. Through 1990-91, institutional change, public education, community advocacy, cross-cultural training and research have been the five mutually reinforcing objectives supported by the program to foster equality and access for all Canadians and to promote social change.

• (1930)

Public education initiatives, especially around March 21, the international day for the elimination of racial discrimination, were supported, as were activities addressing the race relations concerns of visible minority and aboriginal youth and of aboriginal Canadians. These have been achieved with the crucial help of the community and the fruitful co-operation of institutions and organizations.

We also have a human rights program. The purpose of the human rights program is to promote the development, understanding, respect for and enjoyment of human rights and to facilitate the implementation of Canada's domestic and international human rights obligations. Its activities include education and promotion, co-ordination and presentation of Canada's human rights reports to international bodies, federal-provincial-territorial co-ordination to fulfil Canada's international human rights obligations and interdepartmental co-ordination.

Since 1986 the program has carried out a range of activities designed to promote and protect human rights: for example, to work with non-governmental groups, NGOs, educators and others working in the human rights field, including both specialists and those who from time to time carry out human rights activities and to carry out other public education activities. It is there to serve as the central point of reference for the federal government's domestic interest in human rights and as part of this latter mandate, to develop interdepartmental and federal-provincial-territorial consultations and co-ordination to implement human rights treaties.

Powers, duties and functions of the Department of Secretary of State were transferred by section 9 of the Department of Multiculturalism and Citizenship Act. As well, the number of reports that the directorate prepares in consultation with federal departments, provinces and territories, has greatly increased over the last two decades. Reports are prepared to meet legal obligations under international treaties that Canada has ratified and to meet other commitments relating to Canada's membership in the UN and the OAS. The directorate often participates in the review of the reports by international bodies.

I would like to go on to the women's program. The women's program attempts to promote economic equality. Women are employed in every sector of Canada's economy and make a major contribution to our country's growth and prosperity. Despite this fact, there are still many hurdles preventing them from fully participating in the economy and from receiving recognition for the role in the labour force and at home.

Many of the groups funded by the women's program are working to improve economic opportunities for women. For example, a group of women lawyers in Saskatchewan is working with farm women. Their aim is to identify the economic and legal concerns of farm women with regard to property, pensions and family law.

Another voluntary group has documented the flexibility needed by employees balancing work and family responsibilities and has made recommendations in this area. In New Brunswick a group of francophone women is working to have the experience of homemakers and volunteers recognized when they look for work.

The women's program also promotes social justice. Social justice covers many issues relating to women's fair and equal treatment in all segments of our society. On a practical level, social justice for women includes the development of a safe society, free from violence and discrimination. Such a society would open more possibilities for women to realize their full potential.

The women's program has partners with many groups working in the area of social justice. In Nova Scotia one group is working with medical practitioners to ensure that the needs of battered women are better met. A native women's group receives financial assistance to raise the issue of family violence in their communities.

Across our country community groups funded by the women's program are working to break down the obstacles that hinder women from full participation in Canadian society at all levels. These include, for example, a Nova Scotia group helping unemployed women access training and education options; in Quebec a voluntary group of Haitian and Italian immigrant women learning about their rights and what can be done about discrimination.

The women's program works with the many different partners in our society. The goal of these activities is to ensure that women can fully contribute to all dimensions of life with the assistance of the program. Many voluntary groups are bringing us closer to making that goal a reality. What these groups accomplish leads to measurable improvements in the lives of women, whether their activities result in single mothers obtaining adequate housing or elderly women on pensions improving their economic and social situation, or whether the discriminatory attitudes that discourage women from entering scientific and technological fields are addressed. The Government of Canada is committed to bringing about social justice and economic equality for Canadian women. In doing so, the government recognizes that many choices, decisions, and challenges face Canadian women today.

To attain equality for women, the government has set out a national strategy in dimensions of equality: a federal government work plan for women, 1986. The women's program of the Department of the Secretary of State is an important part of this over-all national objective to advance the equality of women.

In 1988 the government renewed the mandate of the women's program. In implementing this mandate the women's program assists women's and other voluntary groups working on a wide range of equality concerns.

There is support for the voluntary sector. Members of the more than 800 volunteer groups funded annually by the women's program give their own time and resources to make our society more just and caring. These groups are dedicated to improving the economic, social, and legal situation of women; in the home, the workplace, and the community. Some groups for example are working to improve public understanding of how family violence affects women.

Others are helping immigrant women increase their access to language training, while still others are striving to remove barriers women face in the work force. In fact, together these groups' activities touch on every area of our society where women face obstacles.

The women's program has many objectives: to increase the public understanding of women's equality in order to encourage action toward resolving these issues; to promote the organizational development of women's groups so that they can work more effectively toward equality for women; and to encourage institutions to integrate women's equality issues into their decision-making structures, policies, and programs.

In meeting these objectives the women's program provides assistance to women's and other voluntary groups working to advance the equality of women in the areas of economic equality, social justice, and access and participation.

Within these funding areas the program also responds to new needs and issues such as the concerns of immigrant women, women with disabilities, and those who live in rural and isolated areas. More and more the women's program is working with volunteer groups representing the concerns of women who experience unfair treatment based on their sex, race, disability, or other factors.

I had a few other things to say about some of the other programs, including some of the native programs that we have, such as the Native Citizens' Directorate, the Aboriginal Representative Organization's Program, and some of these other programs. I understand and know that I am quickly running out of time so I may have to speed over that a bit.

The bottom line is that the Government of Canada has many programs to address the legal and social responsibilities of Canadians. It is time that we started to share the load and see other groups in society, including provincial governments, come to assist us and to recognize that they must take their share of responsibility as well.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I must say that I regret that the hon. member for Edmonton Northwest was unable to finish his four-hour speech. I am sure it would have been very interesting.

Earlier we heard the member for Fundy—Royal give a very vigorous and positive appraisal of the Court Challenges Program, leaving all of us to wonder what defence he could possibly have offered for discontinuing a program that cost $2.3 million as compared to $15 million for almost any average government publicity campaign.

Then we hear the member for Edmonton Northwest talk about the importance of removing barriers among the various groups in this country. He talked eloquently about multiculturalism. He talked about the necessity of full participation. I do not know whether he realized, however inherent in what he said, was the necessity of empowering the people who are disadvantaged by race or ethnic derivation to defend themselves.

I have to ask him what his reaction is since he did not mention at all the question of the Court Challenges Program what he thinks within the context of what he said about the discontinuation of that program, a relatively inexpensive program, particularly now in view of what he said about racial discrimination, since the director of that program was about to embark on encouraging racial minorities to use the program more effectively than they have in the past and how he reacts to the deferral of the Race Relations Institute. But most especially, in view of what he has said about the necessity of ensuring that every Canadian, regardless of their ethnicity or racial derivation, participating fully in this country as equal citizens, and the fact that the members of his party on the constitutional committee along with the Liberals refused to support an amendment to section 27 as a recommendation that would have added these words: "and the preservation and promotion of racial and ethnic equality", how can he reconcile that to what he has just tried to tell the House? I am sure he is sincere. I want to know if his defence of his government is on that account.

• (1940)

Mr. Dorin: Mr. Speaker, I was not on the constitutional committee. Therefore, I do not know what kind of deliberations took place. I am going to say this.

The member made reference to my four hour speech and I think that speaks for itself. I spoke for 20 minutes, simply discussing some of the programs that this government has in place to support the legitimate rights of all Canadians to a better quality of life. I could have probably gone on for four hours trying to get through all of them. The fact is because of its unique contribution to human rights, unmatched by any government or any party at any level, this government has earned the right to insist that this crucial responsibility now be shared.

I would hope that the hon. member for Ottawa—Vanier who proposed today's motion would seek the agreement of his colleagues and members of the NDP to ensure that all provinces and territories now take up the challenge by demonstrating some political will of their own.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a question I would like to ask the member for Edmonton Northwest dealing with testimony which was put to the Standing Committee on Human Rights and the Status of Disabled Persons, by the Deputy Minister of Justice, I believe, to the effect that there were mechanisms in place to allow Canadians to go to the Human Rights Commission or to the Official Languages Commission as an alternative to the Court Challenges Program.

He and others in the House know that the Court Challenges Program was specifically put together by the Liberal government in 1978 to deal with constitutional issues under the BNA Act, extended to the 1982 charter of rights by the Liberals again, and then in 1985 to section 15. That is the course of events of that program.

My question is, how can this government entertain that statutory decision or commissions existing in this country under statute of this House are equal or able to deal with constitutional questions which are the first law of the land and are not, in my view, similar in any way, sense or shape. How can one pretend that there are other avenues than to go to the courts to get your constitutional rights affirmed and clarified? How can one say that?

Is the minister close to him in agreement with the Deputy Minister of Justice?

Mr. Dorin: Mr. Speaker, I think the point is that we have a multitude of programs at the federal level to try and assist people in ensuring that they receive their basic human rights. We are involved in many, many ways in this area.

The fact of the matter is, as was pointed out in the earlier debate by others, that the administration of justice is a provincial responsibility. It is not up to the federal government to simply take the whole burden in this area. We think it is time that some of the others started to take their part of the load.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a short question.

You say it is time for other levels, meaning the provincial level. Right? That is what the minister was talking about.

If francophones in Alberta want to exercise their rights under the Official Languages Act, or other rights of the Constitution, and they go to the government of Premier Getty are they going to get money to finance that case?

Some hon. members: No way.

Mr. Waddell: Who is kidding whom?

Mr. Dorin: Mr. Speaker, I cannot speak for the Government of Alberta and I do not plan to. This hon. member will know, and all hon. members will know, that from time to time I have disagreed with the Government of Alberta even though it happens to be of the same political persuasion. Once in awhile I would like to see members of the NDP disagree with some of their provincial counterparts when they know that they are wrong rather than just standing up and repeating those lines.

An hon. member: Against the gospel.

Mr. Dorin: They should be telling their provincial counterparts to take their responsibilities seriously and not leave it all to the federal government rather than coming into this House and demanding that we do it. They should be speaking to their political cousins back home if they are so supportive of them.

Mr. Jack Iyerak Anawak (Nunatsiaq):

[*Editor's Note: Member spoke in Inuktitut*]

[*English*]

Mr. Speaker, it is a pleasure to be here. I am pleased to rise today in support of the motion of my hon. colleague calling upon the government to restore the Court Challenges Program.

A great many ordinary Canadians are deeply concerned by the government's recent decision to terminate this program. The program has benefited women, minorities, disadvantaged groups and aboriginal people. It has enabled these groups to mount court challenges under the Charter of Rights and Freedoms. It has provided financial assistance for the preparation and defence of test cases.

Without this program many of these court challenges simply would not have happened and Canada's human rights situation would be worse than it is. If the program is not reinstated many cases which would benefit Canadians will not even get to court.

Lawyers are expensive. Fighting government in the courts is expensive. The government has all kinds of resources at its disposal.

Ordinary Canadians with human rights grievances do not have the resources that the government has.

This program, the Court Challenges Program, has helped equalize the imbalance in resources between ordinary Canadians and government.

The Court Challenges Program was first established in 1978. At that time it dealt only with official language minority rights.

In 1982 the program's mandate was expanded to include the new language rights guaranteed under the Canadian Charter of Rights and Freedoms. In 1985, after the charter section on equality rights came into force, the program was expanded to include equality rights.

To ensure an arms length relationship with government the program was taken out of government and administered by the Canadian Council on Social Development. It was given a five-year mandate.

In 1990 the program was renewed for another five years and became affiliated with the Human Rights Education and Research Centre of the University of Ottawa.

This is not an expensive program. It costs very little and is a very cost-effective program. Each year the program would commit up to $2 million for cases. The program's operating costs are $750,000 a year. The total annual budget is thus only $2.75 million. I understand as well that the program's lawyers charge well under the normal fee.

The program has received a total of 951 applications under its equality rights component since 1985, 310 of those applications have been funded. Court decisions or reports have been received on 115 applications, and there are 156 active files.

Eighteen aboriginal applications have received case funding and 22 aboriginal applications have received case development funding.

The language rights component has received a total of 171 applications, 94 of those applications have been funded. Court decisions or reports have been received for 56 applications and there are 27 active files.

The NWT Association des Parents Francophones in Yellowknife has received funding under this component.

Some of the cases assisted by this program have had far-reaching effects. For example, the case in which a Toronto father won the right to child care benefits, and the case in which residents of mental institutions won the right to vote in the last federal election. There have been some landmark cases on minority language rights.

• (1950)

In other words, the government and Canadians have been getting good value for their money. The program has funded parties or interventions in cases that have resulted in judgments of the Supreme Court of Canada that have made new laws, yet the government has cancelled this program. Why?

There are still many questions and issues outstanding and unresolved. What will happen to all those cases that are in progress? Apparently those applications which have been approved for funding will receive funding only for the level they have been approved at, but what about appeals? If a group loses and wants to appeal or they win and the government appeals, there will be no funding available.

I want to elaborate on this issue by referring to a case the Inuit Women's Association, Pauktuutit, is developing.

Last year, Pauktuutit applied for funding under the Court Challenges Program to prepare for a section 15 challenge to the NWT judiciary's practice of issuing lenient sentences to individuals convicted of sexually assaulting Inuit women. In November, it was notified that that its application had been approved in principle. The cancellation of the program puts its case in some jeopardy. While it will take the case to trial, there is no funding available for an appeal should an appeal be necessary.

The president of Pauktuutit has written to the Minister of Justice to express shock and disappointment at the cancellation of this program. I want to quote briefly from that letter:

> Since its inception, the Court Challenges Program has provided organizations such as our own with the opportunity to take on very difficult cases affecting our constitutional equality rights. Without the support provided by the Court Challenges Program, we fear that justice and equality in Canada are sure to suffer.

In her letter, the president of Pauktuutit also pointed out to the Minister of Justice the significance of the case that they are working on. I will again quote briefly:

> This is a very important case, one that offers hope to the victims of sexual assault (and Inuit women in general) that the crime will be dealt with as a serious one.

The letter concluded with an appeal to the minister to support the reinstatement of the program. Again I quote:

> The Charter of Rights and Freedoms will never be able to fulfill its promise of equality and justice if disadvantaged groups are unable to take their cases to the courts.

I agree with the views and concerns expressed by Pauktuutit and join with it and the many other Canadians calling for the continuation of the Court Challenges Program.

Several other aboriginal groups and organizations have been assisted by the program. The Chippewas of Nawash received case development funding to pursue a fishing licence issue. The Native Women's Association of

Canada received funding to challenge aspects of the Indian Act.

Aboriginal people have received funding to challenge issues related to voting rights, exclusion from programs, cultural rights, language rights and aboriginal customary law. Inuit, Innu and aboriginal women prisoners have also received assistance from the program.

I want to conclude my presentation today with some comments made by a very distinguished and respected Canadian.

Former Supreme Court Justice Bertha Wilson now heads the royal commission on aboriginal peoples. She had this to say about the cancellation of the Court Challenges Program:

> As a Supreme Court Judge, I saw what an invaluable contribution this program made. It was exciting; it made you think government can't be all that bad. And then—bingo! This policy makes the people who can least afford it bear the brunt. There's no point in giving people rights if they don't have the wherewithal to go to court.
>
> It is totally illusory to confer rights on people who do not have the means to enforce them—
>
> I have difficulty with a policy that places the burden of—restraint on those who can least afford to bear it.

There is still a need for this program. The clarification of the rights and responsibilities of Canadians is an ongoing process. A committee of this House, the Standing Committee on Human Rights and the Status of Disabled Persons, has strongly supported the program. There is no other comparable program existing in Canada. The Government of Canada must not cancel this program because it is too important for ordinary Canadians. The necessary refinement and elaboration of human rights in Canada must not be cut off at the knees by withdrawing the only possible source of funding from those who need it the most.

I call upon government members to support this motion. The Court Challenges Program must continue and minorities must continue to have the tools they need to defend, protect and enhance their rights.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I would like to begin by complimenting my colleague from Nunatsiaq for a very moving and informative address on this very important Court Challenges Program.

I also wish to mention how valuable he is in this Chamber in defending the interests and rights of that large part of Canada to the North that is such a rich part of our heritage. I was particularly struck in his speech by his enumeration of the cases that have been brought forward with the assistance of the Court Challenges Program affecting voting rights, minority rights, and the rights of the people that he represents in Canada's North, as well as minorities across this country.

It was a very eloquent testimony to the value of this program, particularly in an age in which our democracy is increasingly being defined by the court system, and in response to litigation in a very complex court process.

One of the disturbing things that took place in this budget and that is taking place in the actions of this government is that the ability of ordinary Canadians to participate in this new kind of democracy through the courts is being undermined.

In Nova Scotia, in my own riding the Minister of Justice has been taking over a year to fill a judgeship appointment. The consequence is that there have been cases which have not gone before the court on sexual assault matters, on family violence and on many very important matters affecting ordinary Canadians because they have no access to the court system.

The second disturbing development is that there has been consolidation in my province of Nova Scotia making it more difficult for people to access the court system. This decision by the government to cut out the funding from the Court Challenges Program is another way in which this government is undermining the abilities of ordinary Canadians to participate in this new aspect of democracy, which does not only take place in this Chamber but in a very complicated legal and court system.

I come to my question, which I know my friend from Nunatsiaq is waiting patiently to hear. That question has to do with the list he enumerated. Somebody told me when this was announced that it was as if the federal government had decided that all charter questions had been decided, that there was no need for further clarification of charter provisions on equality rights. Clearly my colleague has already enumerated a long list of concerns which are very much related to the charter.

I would like to ask my colleague if he knows of more possible instances of legal problems affecting minorities or citizens in his part of the country?

The Acting Speaker (Mr. DeBlois): Order, please. I draw your attention to the fact that there was a small power failure and it is now eight o'clock.

It being eight o'clock p.m. it is my duty to inform the House that pursuant to Standing Order 81(17), proceedings on the motion have expired.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, I rise on a point of order.

With respect, I think it is too bad we were not warned we had lost a few minutes. I was in committee all day, on that important joint committee of the Senate and the House of Commons and also on the special committee on electoral reform. I would have liked to take part in this debate. It is too bad we have run out of time, but I want to be on the record as saying that I would have liked to speak in this debate. We had no idea the bells would take us by surprise and we would miss the hon. member's brilliant response to the question—

The Acting Speaker (Mr. DeBlois): Order, please. With his experience, the hon. member for Saint-Denis ought to know that. In any case it is 8 p.m., even if we are running somewhat late.

Mr. Prud'homme: Would you consider Standing Order 26?

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(7), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CONFLICT OF INTEREST

SETTING OF GUIDELINES

Mr. John R. Rodriguez (Nickel Belt) moved:

That, in the opinion of this House, the government should consider introducing legislation setting conflict of interest guidelines for Members of Parliament and Senators; and that these guidelines should also regulate conflict of interest and post-employment practices for senior bureaucrats and senior political staff.

Mr. Nunziata: Mr. Speaker, I rise on a point of order. The hon. member for Nickel Belt who is moving the motion and others are members of a parliamentary committee that is presently dealing with the whole issue of conflict of interest.

The government has already introduced legislation which is the subject matter before this committee. We will soon be writing our report, and it seems to me that this motion is redundant in that the matter that the member is raising has already been done.

If it is the wish of the House to take the next hour to generally discuss this matter, then so be it. But the House should be aware that the matter is already before a parliamentary committee which is looking into a piece of legislation that was introduced into this House.

Mr. Rodriguez: Mr. Speaker, there is nothing in the Standing Orders that says a private member's motion that has been introduced in the House cannot be debated while a motion similar but not the same would be under review.

That bill which my hon. colleague has referred to was never debated here at second reading. It was introduced and then turned over for pre-study.

The committee is doing a pre-study, but there is nothing in the Standing Orders that precludes a member's motion introduced into the House from being debated on an issue which is under discussion by a study committee of the House.

[*Translation*]

Mr. Langlois: Mr. Speaker, I fully agree with the hon. member who said that the subject matter of this motion is now before a Joint Committee of the House and the Senate. If I could have unanimous consent, Mr. Speaker, I would move that the motion as presented be referred to this committee for consideration and subsequently reported back to the House.

The Acting Speaker (Mr. DeBlois): The hon. member for Saint-Denis. The Chair awaits your sage advice.

Mr. Prud'homme: Mr. Speaker, I must say that the hon. member from Toronto, who read with great gusto the motion presented by our hon. friend from Nickel Belt raised a point which is of particular interest to those of us who are students of the Standing Orders of this House. I see that our table officers, the Chair's advisers and my old colleagues and friends, the experts, are all busy with their reference books, because this is quite an interesting point.

I was prepared to come here to discuss the matter, or at least to listen to the hon. member, because his speeches are always most interesting, brilliant and full of energy, and that is why I was here, even at this late hour. Since we are talking about conflicts of interest, I wonder whether he realizes that he himself has a conflict of interest because he is asking the government to consider introducing legislation.

In fact, the government did introduce legislation but it did not ask for a vote so that we would have as few constraints as possible in committee—and my hon. friend certainly had none, in committee—in order to present a bill that establishes conflict of interest guidelines for members and senators. Monday we were together all day, the hon. member, my colleague from Toronto and the member for Etobicoke–Lakeshore. We talked about this all day and all last week. And we are still very busy, because Parliament has asked us to consider this matter.

[*English*]

Because of the devotion of our colleague who is putting this private members' motion forward, we are also discussing among ourselves the question of having tough guidelines that should regulate conflict of interest and post-employment practices for senior bureaucrats and senior political staff.

The more we talk with each other privately, the more we discover that probably it is the political staff and the senior bureaucrats who are the most dangerous people for conflict of interest and not backbenchers.

I am in your able hands to decide if we are not having a redundancy by debating this motion. I will listen attentively to my esteemed colleague to find out whether he finds himself in a total conflict of interest by debating his motion.

Of course, I will abide by your judgment, Mr. Speaker. If you were to decide that no, he cannot go on, I assure my colleague that I will stay here until nine o'clock to listen to what he has to say.

Mr. Rodriguez: Mr. Speaker, on the same point of order, to draw this bow so widely that it is possible I could be in a conflict of interest is beyond credulity.

I have been introducing motions on conflict of interest since I was elected into this House. The latest one that I introduced was in April 1989. This motion has been standing on the books since April 1989.

The government's bill, Bill C–43 which my colleagues are referring to was introduced in November 1991. If anybody is in conflict, it has to be the government that is in conflict, not this hon. member.

I also want to point out to my colleagues that there was no opportunity to discuss this issue at second reading, which is the traditional way in this House of Commons. When a bill is introduced, there is a debate in principle at second reading.

I have to ask myself what this little exercise is about. Here we are with a motion. Here is an opportunity for members on all sides of the House to exchange ideas. Why are people so jittery about talking about something that we should be turning the lights on, conflict of interest.

• (2010)

Mr. Gauthier: Mr. Speaker, I recognize my friend as an expert on the matter. I know that his motion has been on the books of this House for some time and that indeed the government may have stolen the idea from him.

I do think that there are some differences in the proposal put by Bill C–43 for pre-study by a committee of the combined House and the Senate and this motion. One example is that there is no reference in the motion before us to spouses but there is in Bill C–43.

I am just wondering, Mr. Speaker, since you are in the chair, whether you could not rule if indeed according to Beauchesne's Parliamentary Rules and Forms, citation 173, it states:

The Speaker may:

(2) Rule out any question which violates the procedures of the House and in the same way deal with irregularities in motions and amendments.

It continues:

(3) Make alterations to proposed motions or may refer them back to the Member for correction.

I am just wondering, Mr. Speaker, if you cannot rule at this time so we can proceed with debate as to whether the motion is receivable. If it is receivable, then let us proceed.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I want to thank hon. members who just spoke. Since I am not an expert on parliamentary procedure, it has always been my policy to give members the benefit of the doubt in debate. This is Parliament, so it means giving all concerned the benefit of the doubt. I will take under advisement the point of order raised by the hon. member for York South—Weston, and meanwhile, I would prefer, in line with our great parliamentary tradition, to let the debate continue, while the Chair may later consider the advisability of extending the debate.

[*English*]

Mr. Rodriguez: Well, now we are past the preliminaries we can get into the main round.

Mr. Speaker, what is a conflict of interest for a private member of Parliament? What is a conflict of interest for a public office holder? It seems to me that we have to start with the definition of conflict of interest. For those who are watching, what do we mean by a conflict of interest?

I would like to put on the record that when a member while pursuing his public duties and responsibilities is perceived or has the potential or actually furthers his or her own interest or the immediate family's financial gain, it seems to me that is a definition of conflict of interest that covers both potential, apparent and real.

I see it as a spectrum. At one end of the spectrum we have what I have just described on this ethical spectrum. On the other end of the spectrum, as I see it, we have acts which are premeditated and deliberate. Those are covered by the Criminal Code. I am not intending to discuss that part of the spectrum, but rather the first part which is more ethical in nature.

My motion deals, as I said, with the first part of the spectrum. So I start by asking the question: Why do we need a conflict of interest bill? Why do we need conflict of interest legislation?

I want to suggest three main reasons. Members may think of other reasons but I can see three particular and precise reasons.

One is that the job of the member of Parliament has changed. There is a new climate. The jobs of MPs and public office holders have changed. In fact the MP today, the member of Parliament, the public office holder, has so much more influence than 20 to 25 years ago, more influence than when I first came to this place in 1972. We are constantly upgrading the role of the private member. There is a demand by parliamentarians to make members of Parliament more influential in the whole process of law making, in the whole process of decision making in the House of Commons.

Just think of the changes in the role of the spouse of the MP. There was a time when the MP was invariably male and the spouse had no outside assets. Her assets were his assets and that spouse was invariably, 99 per cent of the time, someone who stayed at home.

That has all changed now, thank heavens. We are finding that women are taking their place in the House of Commons. Women have businesses of their own. They have professions of their own. There is a whole change in the climate in which MPs and public office holders operate today.

Second, I would like to point to technological changes mainly in communications. There are more functions. Think of the thousands of people who MPs interface with every year. MPs now are the target of lobbyists, whether it is anti-gun legislation, program legislation, anti-banking legislation or whatever.

MPs are involved with thousands of people. Elected members attend a multiplicity of functions on a yearly basis. A multiplicity of functionaries hover around elected members, and government affects them all; Parliament affects them all.

The third aspect is an important one. Public expectations are different. When I first came here the House of

Commons was not televised. Now the House is televised, what is said in the House. What I am saying now is instantly broadcast across the nation.

The media are much more instant in their reports. Reputations can be instantly destroyed with a few key strokes on a computer. Innuendo can destroy. That has changed. The public has changed. The media have been and are the message now because they modify perception of people about elected politicians.

I could point out the explosion in the number and frequency of contacts with people by the member to whom I referred previously. All of these provide more occasions for elected members of Parliament to be in a situation where there could be or seems to be, in the eyes of the public, a conflict of interest.

Let me give a specific example. An MP who happens to be on the board of directors of a trust company comes to the House and is elected chairman of the finance committee. I would suggest that is a potential for conflict.

Then the committee receives legislation on financial institutions. Now we have the appearance of a conflict, an apparent conflict. If that MP as chairman, maintaining his position on the board of directors of the trust company, participates and votes in the decisions of the committee dealing with financial institutions I want to suggest that he is in a conflict of interest.

• (2020)

This is in stark contrast to an elected member of Parliament who actually takes money to push or oppose legislation. That is an act covered by the Criminal Code.

I want to point out the last case we had, the *cause célèbre* of all this, was the Sinc Stevens incident. It was interesting to note that Justice Parker reported Sinc Stevens had not done anything criminal. He had not broken any law but there had been conflict of interest on 16 occasions. We had no legislation to cover that in this House, none whatsoever.

There is the transparency of the political process. We have had occasions on which we have advanced that transparency. When we passed the Election Expenses Act we recognized that it was important to know who was making contributions to the politicians and the political parties, how much, when it was made and by whom. We made that transparent. The first part of the transparency puzzle was put in place.

The second part, I would suggest, is when we passed the Lobbyist Registration Act. We turned on the light on a very arcane profession, those who wielded influence in the nation's capital with the nation's politicians.

The whole demand that I made on behalf of my caucus during that process was to apply the same transparency. The principle I used was that the public has a right to know who is doing what to whom and for how much. The whole purpose was to create the transparent environment so that the public had access to what was going on.

The third light we have to turn on so that we can create this environment and raise the ethical level—and God knows it needs raising in terms of the public perception—is a conflict of interest bill that in fact deals with the part of the ethical spectrum I discussed before: potential, apparent and real conflict of interest.

What is the cornerstone of all of these pieces of legislation? What is the cornerstone?

An hon. member: Disclosure.

Mr. Rodriguez: Public disclosure. Obviously members of this House are in tune with the mood. After an exhaustive judicial inquiry into the Sinc Stevens affair, Justice Parker said: "Public disclosure is the cornerstone of any modern conflict of interest legislation". That is what he said.

If members of Parliament think we can get away with just hiding these things, with having our own confessor–adviser tucked away neatly in the bowels of the House of Commons, and with taking the attitude that everything is for us to know and for the public to try and find out, we are barking up the wrong tree.

One member used an argument against this whole question of disclosure and said: "Well, it is only widows and Mother Teresa who will ever run for Parliament. If you do this you will scare off all these good people from running for Parliament". Then we heard the argument: "What my assets are is my own business and nobody else's business". Then we heard the charter argument, that if we forced spouses to divulge we would be violating their rights under the charter and we would have a charter challenge.

On the first argument against public disclosure, the one about only widows and Mother Teresa running for Parliament, it seems to me that Justice Parker said at page 350: "I was particularly interested to learn that the disclosure requirements have not discouraged good peo-

ple from entering politics or running for public office. For example, a study of members of the U.S. House of Representatives and Senate conducted by the Centre for Responsive Politics in 1985 found no one who felt that financial disclosure affected his or her decision to seek public office".

An hon. member: Oh, oh.

Mr. Rodriguez: I want to tell my colleague that nobody twisted his arm to run for politics, to run for Parliament. He wanted to. If we set the rules, these are the rules. If he cannot accept the rules by which the game is going to be played then he should not get on the team. It seems to me that is pretty straightforward.

I want to deal with the other argument in the same way. All the provinces have this conflict of interest legislation with public disclosure.

An hon. member: What about Ontario?

Mr. Rodriguez: All of the provinces have it, including Ontario. It was brought in by the previous government. As a matter of fact we were just looking at David Peterson's report the other day. The member saw it. It is there and it has not resulted in anybody challenging anything in the charter.

Nobody has challenged it in the Supreme Court. It has not stopped people from running for provincial legislatures. As a matter of fact in the last provincial election in this country we had three times more people seeking seats than there were seats. It certainly has not prevented anybody from running.

What would conflict of interest legislation do? In my view conflict of interest legislation would prevent situations of conflict from deteriorating and becoming criminal acts. I believe that it will minimize the instances of potential conflicts becoming apparent or real, thereby improving the quality of public life. Third, I think it will go a long way in protecting elected members from unfair allegations.

Thus I think the public perception of Parliament would be enhanced so I recommend to my colleagues that there be support for the enacting of legislation that would provide conflict of interest guidelines.

Mr. Prud'homme: I rise on a point of order, Mr. Speaker. Of course we have accepted your ruling and we cannot debate it, but may I at least call upon my colleague to try to restrain himself as much as possible from giving us in public what we are trying to arrive at together a good bill.

He is discussing with me and other colleagues the exact subject matter he is now talking about in public. We have abstained from giving the views of the committee publicly. It is only for *en français, on dirait pour le bon fonctionnement du comité*. I have no objection. I believe in conflict of interest laws. We are getting very close to using the same arguments with each other, trying to convince each other that this is the best bill possible.

• (2030)

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): Before giving the floor back to the hon. member for Nickel Belt, the Chair has had some time to think over the point of order raised by the hon. member for York South—Weston. I do not think that it is good to leave the House uncertain and so I think it useful to go over the chronology of events, given the sensitive subject before us.

On May 13, 1991, the hon. member for Nickel Belt presented a motion concerning, among other things, conflicts of interest for senior officials and senior political staff. On November 22, 1991, Bill C–43 was tabled in the House of Commons on first reading and this bill makes no mention of senior officials and senior political staff.

On the same day a special committee was created and the subject matter of Bill C–43, not the bill itself, was referred to it. On December 2, 1991, the motion of the hon. member for Nickel Belt was placed on the order of precedence. It was drawn by lot and placed on the order of precedence and on December 10, 1991, the committee was struck to consider Bill C–43.

In summary, we are faced with certain principles, the first of which is the right of any member to present bills and motions—this is an important point. Second, the motions are not identical. The motion for Bill C–43 is not the same as the one from the hon. member for Nickel Belt, since this one extends the debate to senior officials and senior political staff. Finally, the motion is not votable. That is why, under the circumstances, I think the Chair can allow a debate limited to one hour. On balance, weighing the pros and cons, I think that a member's legitimate right to present a motion could be weakened or violated by an overly strict interpretation of the rule which forbids discussing a bill that is already being considered in committee.

All this is to say that I find the motion of the hon. member for Nickel Belt to be in order and I again give him the floor for the three minutes remaining to him. Again I ask hon. members to be careful in what they say since the subject referred to is part of the work now going on in a parliamentary committee.

Therefore I call on both sides of the House to co-operate.

[*English*]

ESTABLISMENT OF GUIDELINES

Mr. Rodriguez: Mr. Speaker, I deliberately started out debating the motion. I had to put it in context. I started by describing a definition of conflict of interest as I see it.

Second, I started with the question, why is conflict of interest legislation necessary?

Third, I stated what I hoped would be accomplished if it ever becomes the law of the land.

I know my hon. colleague from Saint-Denis is a *gentilhomme*. He is a very kind and gentle person and he harks back to a period in our parliamentary history which was possibly a gentler, kinder time. But it also had overtones of being an old boy's club. This business that I cannot say what is being said in committee—well, our hearings and witnesses, whatever took place, was open to the press and many matters have been reported in the press.

The hon. member for Mississauga South did a survey in his own riding which was carried in the *Hill Times*, which said that 80 per cent of his constituents supported conflict of interest legislation and 78.2 per cent included that spouses should be included in the whole matter.

My motion proposes that not only should the elected members and the public office holders be covered by the legislation, but that it is also important for senior bureaucrats and the most important political advisers to politicians be covered. In fact, they receive the same kind of lobbying, they are subject to the same influences as members of Parliament in many instances. I have proposed in my motion that they also be covered.

I would urge members to support this. I think it is part of a very important triad of bills that will enhance the credibility and the ethical performance of the House of Commons as perceived by the public.

[*Translation*]

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I welcome this opportunity to speak this evening to Motion M-22 presented by the hon. member for Nickel Belt. I will read it into the record so it will appear in *Hansard* in French, as follows:

> That, in the opinion of this House, the government should consider introducing legislation setting conflict-of-interest guidelines for Members of Parliament and Senators; and that these guidelines should also regulate conflict-of-interest and post-employment practices for senior bureaucrats and senior political staff.

That is the wording of the motion moved by the hon. member for Nickel Belt. Hon. members are aware that the subject matter of this motion is being given broad consideration at this time.

As we all know, on November 22 last year, the government did in fact table similar legislation. A special joint committee of the Senate and the House of Commons was appointed recently to examine the subject-matter of Bill C-43, the Members of the Senate and the House of Commons Conflict of Interests Act. The hon. member for Nickel Belt is a member of this committee and is therefore familiar with the initial proceedings in which he was an active participant.

I also think it is important to recall that the Conflict of Interest Post-Employment Code for public office holders tabled by the government is already in place. This code was introduced for the first time by the Prime Minister in September 1985. The code already provides guidance with respect to conflict of interest and post-employment practices for public servants, senior political staff and ministers and parliamentary secretaries. In this respect, the Special Joint Committee has already heard testimony on its application from a government witness, the Assistant Deputy Registrar General, who is responsible for enforcing the code.

However, conflict of interest, the general focus of the motion, is an important issue for parliamentarians and deserves to be taken very seriously. The work of this committee will have an immediate impact on the lives of all parliamentarians, now and in the future. Canadians generally are also interested in the subject because they

want to be sure that parliamentarians put the national interest before any thought of personal gain.

The work accomplished by this committee is unprecedented at the federal level. As soon as it finishes its study of Bill C–43, the special committee will submit a number of important and historic recommendations to the House and the Senate on what should be done about conflict of interest.

Today we should consider the purpose of this bill in a broader perspective. When I say we, I mean not only parliamentarians, who are more directly concerned, but also all Canadians who want their government to function fairly and well, in the best interests of all Canadians.

Canadians, and that includes parliamentarians, set great store by ethics and expect high standards of behaviour from all those who hold public office.

• (2040)

Because of this great concern, the public feels the integrity of the government decision–making process is very important and has been increasingly demanding more openness, responsibility and accountability on the part of government.

Members of Parliament and senators undergo daily extensive and justifiable scrutiny by the media and the citizens in respect.

I believe as does the government that parliamentarians must all submit graciously to this scrutiny and its consequences.

It is fair and proper that we, as public office holders, should be guided by the highest standards of conduct and that we should be judged on the basis of these standards which, as far as the Canadian people are concerned, vouch for the health and vitality of our parliamentary democracy.

The principle that no public office holder shall use his or her office to further his or her private interests is central to these standards and our democratic parliamentary government. The special joint committee presently reviewing this bill will be guided by this fundamental principle in the historic proceedings it will be holding over the next few months.

When dealing with conflicts of interest we, as parliamentarians, must also take into account the need to achieve a delicate and necessary balance between the importance of respecting and preserving the privacy of all parliamentarians and the need to maintain the highest possible standards of behaviour for parliamentarians fulfilling their public duties, and to encourage them to respect them. The committee is now faced with the task of finding such a reasonable and acceptable balance in the context of today's political life in Canada.

As we all know, and as Justice Parker underlined in his report to the government on the conflict of interest issue, respect for ethical standards is above all a matter of individual conscience and behaviour. In his comments on this, Judge Parker said:

> – the faith of the public in the integrity of the government depends on the integrity of each of its public office holders and their sense of honour.

Canadians are quite right in expecting from their members of Parliament and senators that they display this integrity and this sense of honour. However, as Judge Parker pointed out, no conflict of interest regulation system can fully guarantee that such situations will never occur. In fact, what is important is not that there be a system guaranteeing that no conflict of interest situation will ever occur. The important thing is to determine what must be done to prevent, as much as we reasonably can, conflicts of interest and, should those occur, to deal with them in the appropriate manner.

The basic objective of any arrangement regarding conflicts of interest is therefore to help well–meaning people to conform to the high standards of conduct imposed on public office holders while allowing them, as much as possible, to enjoy their right to a reasonable degree of protection of their private life.

This committee obviously has a very important role to play in the coming months; it will have to deal with a complex and sensitive issue. Its task will be to try to reconcile the interests of the individual with those of society, so that the government can operate in an efficient manner. Parliament and Canadians hope that the committee will give serious consideration to these issues and will prepare adequate and reasonable guidelines that will help parliamentarians to avoid finding themselves in conflict of interest situations and, should that happen, deal adequately with the situation.

The work of the committee will be a public demonstration of the unanimous will of Canadian parliamentarians to conform to the highest standards of conduct in the exercise of their public responsibilities.

[*English*]

Mr. John Nunziata (York South—Weston): Mr. Speaker, I appreciate the opportunity to make some brief submissions on Motion M-22, presented by the hon. member for Nickel Belt.

I have the honour, as does the mover of the motion and the previous speaker and others in the Chamber who will likely speak later, of sitting on a special House of Commons and Senate joint committee that is reviewing Bill C-43. Just yesterday the committee, consisting of MPs and senators from the three major parties, with the exception of NDP senators because they do not have any, they do not believe in the Senate, met at Meech Lake not too far from Parliament Hill to consider this whole matter.

The committee has been sitting over the last number of months and we have had the opportunity to hear from a significant number of Canadians who have expertise in the area of conflict of interest.

As the member indicated, we heard from Judge Parker who headed the royal commission of inquiry that investigated the Sinclair Stevens matter. We heard from Mitchell Sharp, a former cabinet minister, who was the co-author of a report that was tabled several years ago in this House. The member for Etobicoke—Lakeshore was the executive director of that particular committee and I hope he will have the opportunity to speak this evening as well. We heard from a number of individuals, including people who had expertise in other jurisdictions.

The committee will consider now all the issues and hopefully present to this House legislation that will serve the public interest, that will be fair to MPs, senators, bureaucrats and their spouses and that will hopefully meet with the unanimous approval of this House.

I am speaking this evening on my own position and not necessarily the position of the Liberal Party, although a number of my colleagues happen to agree with the position I take on a number of matters.

I have some concerns about the position taken by the member for Nickel Belt. He believes in full disclosure. He believes that MPs, senators and their spouses ought to publicly disclose their assets and liabilities.

Mr. Rodriguez: Without quantifying.

Mr. Nunziata: He is through heckling. He is trying to add a few caveats.

The point is that generally speaking the NDP, through that particular—

The Acting Speaker (Mr. DeBlois): Order, please. On a point of order, the hon. member for Nickel Belt.

Mr. Rodriguez: Mr. Speaker, I do not mind genuine criticism but I would hope that the member would not misrepresent the position I have taken. I have never suggested that you quantify the assets or the liabilities. That is the position I have taken consistently as he well knows. So do not do that, John. It is not becoming of you.

Mr. Nunziata: With respect, Mr. Speaker, the impression the member of the New Democratic Party left with this House and with all who are viewing and all who might review his comments later is that the NDP wants full public disclosure.

But yes, the member says "without quantifying". If the member from Nickel Belt owns 1,000 shares in the Royal Bank or the Bank of Nova Scotia, that would not be indicated in the public disclosure that he is advocating. It would only indicate that he owns shares—

Mr. Rodriguez: Like it is done in certain provinces.

Mr. Nunziata: —in those banks. That is one of the issues that the committee will have to consider, whether there ought to be full public disclosure on the part of MPs, senators and their spouses.

The committee will also have to decide what sanctions ought to attach to any infractions or improprieties or breaches 9zof the conflict of interest legislation, keeping in mind of course that we are not dealing with criminal activity. The Criminal Code of Canada deals with criminal matters, as the member pointed out, breaches of trust, corruption, bribery. We have the Criminal Code to deal with that kind of activity.

What we are dealing with here is activity that falls short of criminal activity, but is still improper in that MPs and senators could use their offices in order to gain personally or through their families.

• (2050)

I support disclosure but not full public disclosure. Let me explain the reasons why. The member talks about disclosure but he does not indicate why disclosure is necessary. Is he suggesting that once an MP discloses what he or she has publicly, that MP is free then to be involved in a conflict of interest? In other words, is the member suggesting that once you disclose, that becomes your *carte blanche* or your opportunity to be in a conflict of interest situation? With all due respect, he did not say that in his submission. Once a member discloses publicly then that member ought to withdraw from the debate, declare the conflict, not participate and not vote. I have not heard the member advocate that yet. This has to be clarified.

In my view, MPs ought to disclose to a jurist counsel, a commissioner or a well-respected, highly revered individual by way of prescribed form, assets and liabilities without having to disclose to the public. Frankly I do not believe the public wants to know what assets each individual member of Parliament has, what cars they drive, what bank accounts they have, where those banks accounts are, what shares they own in what companies, what debts they might have. All they want is some honesty and integrity from the people that sit in this House.

The NDP want spouses to also be required under the law to disclose. If you think about that it is pretty old fashioned thinking, thinking that is unbecoming of the New Democratic Party. The New Democratic Party often advocates equality, fairness, the Charter of Rights. Our spouses are independent people. They have lives of their own. The member for Nickel Belt in his submission and in his goal would almost treat spouses as chattels of MPs that they can lead by the nose and force into disclosing. That is not fair. Spouses have their rights to privacy.

This member wants to have the public to know exactly all the assets and liabilities of his wife. I wonder whether that member has spoken to his spouse about whether or not she may or may not agree. The fact is that there are a significant number of spouses who object to having their lives fully exposed by way of public disclosure. I do not think it is fair. It would lead to systemic discrimination. It is chauvinistic and it is old-fashioned thinking. It is somewhat surprising coming from the New Democratic Party that they want to require spouses to have to disclose publicly all their assets.

I support disclosure but only private disclosure. As well, let us not forget that we have to distinguish between MPs and members of the cabinet. There has to be a different regime for cabinet ministers, a higher level because they are exposed to more private information and are able to influence public policy more than average members.

I regret that my time is up. We will have the opportunity in this House in the not too distant future for all MPs to offer their views on a piece of legislation that this committee will bring forward that I believe will be fair and equitable to all those involved including MPs, senators, their spouses and bureaucrats.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, tonight we are debating ethical conduct in government. As previous speakers mentioned, yesterday those of us, myself included, who are members of the parliamentary committee dealing with this subject, began at 8.15 a.m. and went through to 5 p.m. non-stop. Tonight in the House of Commons we are debating it. Tomorrow morning, we start again at 9.30 a.m. This is in addition to other matters.

What we are discussing of course is the subject matter of Bill C-43, the government's legislation which substantially addresses the points raised in the motion before us tonight from the member for Nickel Belt. I believe that the public trust rests on a belief and on a conviction that those in public office will conduct themselves in an ethical fashion.

Those of us holding public office, whether with great or modest responsibilities, carry with us a portion of the responsibility for the destiny of our country and for the carriage of the government of the day and also a part of the trust which the Canadian people vest in government. That is why the issue before us tonight of ethical conduct in government is one of transcending importance because in a democracy, ultimately our system of government depends upon the consent of the governed, not the coercion of the governed.

We must always see that the people of our country have confidence in those of us who are in this place and all of us, including those who are members of the Public Service, must carry out our duties in accordance with the public interest.

The issue, I would submit, is not whether a conflict of interest arises. Show me an individual who never has a conflict of interest and I will show you a one-dimensional person perhaps living in the outskirts of Frobisher Bay as a hermit. In our complex society it is inevitable that we have conflicts of interest.

The issue is not that they arise, but that when conflicts do arise, they be resolved in the public interest. That is what this bill is all about. That is what our committee is discussing; the mechanisms, the procedures, the rules that can permit all of us in public office to see that there is a way of resolving conflicts.

There are different ways that that can happen. It is by no means sufficient for those persons who hold public office in Canada to act within the law. There is a further obligation to act in a manner that will bear the closest public scrutiny.

On this point I join with the member for Nickel Belt in favouring full public disclosure. I want that to be a fundamental principle of any legislation that we enact, and then to the extent necessary to find balance and to protect the rights of privacy to which the member for York South—Weston has referred.

There can be reasonable and proper exceptions and limits, just in the same way that we have passed the Freedom of Information Act which states as a fundamental principle that all Canadians have a right to information about the public programs of our country. We make some reasonable exceptions for matters that pertain to national security, matters that pertain to sensitive commercial transactions currently under way, matters that pertain to rights of privacy of individuals and so forth, just as we do with the Charter of Rights and Freedoms.

We have established fundamental rights of Canadian citizens and then make some restrictions and limitations according to what can be demonstrably justified in a free and democratic society. That is the approach that I hope we can see the legislation proceed on.

The member spoke about the committee report that was prepared by the task force on conflict of interest. I was very pleased to serve as executive director of that task force, appointed by former Prime Minister Trudeau and to work with two outstanding Canadians, the Hon. Mitchell Sharp and the Hon. Michael Starr, both former cabinet ministers, both long-time members of this House. I believe that this report stands us in very good stead.

Out of the 10 principles that were recommended for inclusion in any legislation, there is one I would refer to. It states as follows: "Any conflict between the private interests of public office holders and their official duties must be resolved in favour of the public interest.

Upon appointment to office or election to office, and thereafter, public office holders are expected to arrange their private affairs in a manner that will prevent such conflicts of interest from arising".

As my time is concluding, I want to simply make these final two points. We have before us this legislation. Simultaneously, another committee on which I am serving is looking at election finance legislation and reforming the election laws of the country. We also have the Lobbyist Registration Act due for a comprehensive review later this year.

It is time for the Parliament of Canada to look at all of these different statutory regimes and recognize that they are woven out of a single fabric. We must have a common approach in all of these legal regimes that govern ethical conduct in the Public Service of Canada.

The Acting Speaker (Mr. DeBlois): 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.

[*Translation*]

It being 9 p.m., this House stands adjourned until tomorrow at ten o'clock, pursuant to Standing Order 24(1).

The House adjourned at 9 p.m.

HOUSE OF COMMONS

Thursday, April 2, 1992

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

PUBLIC ACCOUNTS

TABLING OF GOVERNMENT RESPONSE TO THIRD REPORT OF STANDING COMMITTEE

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, pursuant to Standing Order 32(2), I have the pleasure to table, in both official languages, the government's complete response to the third report of the Standing Committee on Public Accounts.

* * *

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 28 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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THE ENVIRONMENT

NATIONAL WILDLIFE WEEK

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, I would like to bring to the attention of members of the House and Canadians the many activities taking place across Canada to celebrate National Wildlife Week from April 5 to April 11.

We should not underestimate the significance of wildlife to Canada's development, both economically and culturally.

First, our aboriginal peoples developed a traditional way of life in close harmony with nature. Later, European explorers marvelled at the wealth of the wildlife in our seas and in our forests.

Canadian literature and art are rich in themes of wildlife and landscape, bearing witness to the powerful influence of nature on our actions and ideas.

But despite our land's vastness and its rich endowment of wilderness, wildlife is threatened here in Canada, as elsewhere, by human activity crowding our natural habitat. Canada's list of endangered wildlife gets longer each year and now stands at more than 200 species. This trend is alarming, but it is not irreversible, and in recent months a range of wildlife initiatives have been launched under Canada's green plan in order to halt it.

These initiatives include a National Wildlife Strategy for Canada, the newly introduced Wild Animal and Plant Protection Act, the recently launched federal policy on wetland conservation, two agreements with the World Wildlife Fund Canada, and the establishment of a new migratory bird sanctuary in the Northwest Territories. All of these will help Canada's goal of preserving 12 per cent of the country as protected spaces.

In the international arena, Canada is active in protecting wildlife. During the ongoing negotiations leading up to the United Nations earth summit in Brazil this June, Canada is taking a leading part in working to develop a framework convention on biodiversity.

The Prime Minister has recently announced his decision to attend the United Nations Conference on Environment and Development and his presence will underline Canada's commitment in this regard.

• (1010)

Efforts such as these to ensure the health and diversity of wild species, both nationally and globally, will be highlighted during National Wildlife Week.

Many private organizations and government agencies dedicated to conserving wildlife are joining forces to celebrate this week with a wide range of activities. For example across Canada, children are becoming more aware of wildlife conservation issues through the highly successful Habitat 2000 educational program developed by the Canadian Wildlife Federation.

Here in the national capital region, Wildlife Festival '92 will include events such as displays at shopping centres and museums, an international film festival and nature tours.

One of those nature tours will take place right here on the Hill on Tuesday, April 7. I invite all members of the House of Commons and their staff to join with me on a "walk on the wild side" of the Hill around the Parliament Buildings.

I am very pleased that the Speaker of the House of Commons will co-host this walk on Parliament Hill. The walk will be under the direction and guidance of a biologist from the Canadian Wildlife Service. Following the walk, we will have an opportunity to express our own wildlife artistry in a special painting, and our co-operative artwork will be displayed in the Wildlife Festival '92.

Canada's wildlife is a vital part of our history. It is up to all of us to ensure that it is also part of our future. I encourage Canadians to join with their governments, their local conservation authorities, their communities and their friends in celebrating this year's National Wildlife Week.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, the ingredient necessary, if we are to preserve this fragile ecological sphere, is political will.

National Wildlife Week has a great deal to do with creating that political will. We must make Canadians more aware of our wildlife and more aware of the peril in which many species find themselves. Without that increased awareness eventually stiffening political will and backbone to protect those species and to ensure that Canadians for generations to come will continue to enjoy as our parents, grandparents, those who first came to these shores and those aboriginal Canadians who were here for many centuries before have done, the richness of life in this country.

Species do not live in isolation, and wildlife requires wilderness. Endangered species are also a question of endangered spaces. We have to look not only at what will look nice in a picture, because if that is primarily where we focus our efforts, all we will have in a few generations is pictures. We have to look at wildlife where it actually lives.

I know all members of Parliament are aware of this marvellous book and the marvellous program on endangered spaces that is seeking to protect the very habitat which ensures that species can survive and thrive.

There is little doubt that a strong, unifying bond among Canadians is our deep appreciation of our natural environment. One of the things that unites us from coast to coast is to know that we share in common some of the most beautiful and unique natural spaces that exist on the face of the earth.

For members who have not looked through this book in some time, I encourage them to do so. They will see the diversity of forests, tundra, water, all of which to some extent without political will are endangered. Without us protecting those spaces, the natural environment in which wildlife flourishes, our wildlife is in danger.

A week is important because it focuses public attention. Children learn, we all learn that we are not doing all we should to make sure future generations will enjoy what Canadians now have.

It is beyond the commitment of Canadians. It is a commitment that we have to the world to protect a unique environment that exists nowhere else. That is why Canada has in principle adopted the world-wide commitment to protect 12 per cent of natural areas in this country.

However, we would all admit that we are far from achieving that. As we have been cautioned by the Canadian Nature Federation which will soon be appearing before the environment committee, the real test of our commitment is: Do we allocate our resources to accomplish the goals that we say we want to accomplish?

In the budget that was presented to Parliament just a month ago and in the estimates that were tabled more recently, do we have the funds to ensure that we are preserving not only national and natural treasures but world treasures? That is the responsibility and the stewardship we have for being fortunate enough to live in Canada. We have a responsibility to preserve what is ours so that we can share it with the world.

We also have to look at the specific actions we take on a daily basis in this House through the instruments of government to see whether in fact we are meeting the global commitment that we so eloquently state to protect wildlife. For instance, do we have the regulations on pulp and paper mill effluent to ensure that wildlife is protected? Do we have the tax policies that allows Canadians to donate land for preservation?

The community has led on these issues. It is up to all of us in Parliament to ensure that we carry out the trust that they have placed in us to protect our wildlife.

Mr. Rod Murphy (Churchill): Mr. Speaker, I would like to speak in anticipation of National Wildlife Week. As somebody who comes from a riding which is well known, starting with the beluga whales and the polar bears and many various types of wildlife species, covering three-quarters of Manitoba, I certainly welcome this week and recognize the importance of wildlife to Canadian history and to Canadian nature.

Both previous speakers have talked about the aboriginals and their traditional harvesting of wildlife. At that particular time in our history, when it was the dominant economic feature of sustainable development within our country, there was a balance. That balance has been lost over the last hundred years. It is a balance that we must restore.

I welcome the remarks of the minister. I noticed that she did make reference to the Prime Minister's attending the conference in Brazil this June. I would hope that in making his presence known, the Prime Minister will also urge the President of the United States to attend and make sure the United States government is not sabotaging the efforts of this biodiversity conference. It is very important that the American government and the American people become involved in the process and not be destructive to that process.

Within our own nation we need to see the federal government's words being matched by the federal government's actions. Within the province of Manitoba, there is an issue with regard to the Oak Hammock Marsh. Ducks Unlimited is building its national headquarters right within that marsh. It is going to affect drainage. It is going to affect the breeding areas of many species.

• (1020)

What is the federal government's position in this? The federal government is helping to fund that headquarters right in that marsh. For that matter, under the western economic diversification office the federal government is supplying $2.48 million for that centre.

Right now the federal government again is being taken to court on this very issue. I would like to see the federal government providing financial support to those organizations that are concerned about this potential development within Oak Hammock Marsh.

It is interesting to note that the Government of Manitoba found that this particular project could not go through on the basis of the 1987 laws. In June 1991 it changed the laws in Manitoba to allow this particular project to go forward. The federal government was silent.

That is just one example. I could go through any number of examples of why this is a problem in our nation, but I do not want to give a long political speech of that nature.

There are many positive things that can be done. We have to continue to develop our national parks system. If I can do a local plug for a few seconds, one of the things we would like to see is quicker action on is the national park in Churchill, a very important park for the people of that region. It should be recognized as one of the special geographic features of our nation.

I recognize that my time is short on this issue, but I hope that all Canadians will participate in National Wildlife Week next week, that it will be a very successful week for all of Canada, and that it will result in concrete action on behalf of the environment of Canada.

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FINANCE

10TH REPORT OF STANDING COMMITTEE

Mr. Clément Couture (Saint-Jean): Mr. Speaker, I have the honour to present, in both official languages, the 10th report of the Standing Committee on Finance on Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act. The committee has agreed to report this bill without amendment.

Routine Proceedings

11TH REPORT OF STANDING COMMITTEE

Mr. Clément Couture (Saint-Jean): Mr. Speaker, I have the honour to present, in both official languages, the 11th report of the Standing Committee on Finance on Bill C-56, an act representing the control of government expenditures.

[*Editor's Note: See today's Votes and Proceedings.*]

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HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I think you will find unanimous consent for the following motion:

That eight members and six staff of the Standing Committee on Human Rights and the Status of Disabled Persons be permitted to travel to Vancouver, B.C. from April 20 to April 27, 1992 to attend the Independence '92 International Convention on Disability, and to hold hearings in conjunction with the convention.

The Acting Speaker (Mr. DeBlois): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

ENVIRONMENT

BROADCASTING OF STANDING COMMITTEE

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I think you will also find unanimous consent for the following motion:

That the Standing Committee on Environment be empowered to have televised and radio broadcasting of its meeting on April 6, 1992 according to the principles and practices governing the broadcasting of the House of Commons.

That, notwithstanding the report of the Standing Committee on Elections, Privileges, Procedures and Private Members' Business concurred in by the House on October 20, 1989, a broadcast of the proceedings on the parliamentary channel be permitted on Sunday, April 12, 1992 at 12 o'clock p.m., Eastern Standard Time.

The Acting Speaker (Mr. DeBlois): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

INCOME TAX ACT

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, I am pleased to present to the House a petition certified correct pursuant to Standing Order 36.

This petition bears names of concerned citizens from across Canada, from Halifax to Vancouver, who humbly pray that Parliament amend the Income Tax Act such that child related benefits and deductions for child care are fair and equitable to all family structures.

I might add that this petition was circulated and the signatures were collected prior to the budget of 1992 and that some of the objectives of this petition have already been met.

EXTERNAL AFFAIRS

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I have the honour to present today petitions signed by residents of Calgary Southeast, Calgary Southwest and Red Deer, pursuant to Standing Order 36.

These petitioners wish to draw to our attention that two Canadians, Christine Lamont and David Spencer, who have been sentenced to 28 years each in a Brazil prison, have suffered miscarriages of justice, cruel and unusual treatment.

They ask Parliament to urge the Secretary of State for External Affairs to request the Government of Brazil to expel Christine Lamont and David Spencer and return them to Canada.

CRIMES OF VIOLENCE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise today to present a petition signed by numerous residents of the beautiful city of Kingston, Ontario.

These petitioners object to the failure to recognize the seriousness of crimes of violence against the person and call upon Parliament to amend the Criminal Code of Canada, the Bail Reform Act and the Parole Act to make clear our abhorrence of the seriousness of these crimes.

* * *

QUESTIONS ON THE ORDER PAPER

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all questions stand?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I wish to inform the House, pursuant to Standing Order 33(2)(a), that because of the ministerial statement Government Orders will be extended by 15 minutes beginning at 1 p.m.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—TRANSPORTATION

Mr. Iain Angus (Thunder Bay—Atikokan) moved:

That this House condemns the government for its unwillingness to concede that the deregulation of the Canadian transport industry has been a failure and in fact has led to fewer carriers, fewer jobs, higher prices, reduced service and less safe operations in air, road and rail transportation.

He said: Mr. Speaker, I am pleased to rise on behalf of my caucus I guess in a large way to repeat once again that we told you so.

The motion before us deals with the government's failure to concede that deregulation did not work, did not work for air, did not work for trucking, has not worked for rail, and certainly has not worked on behalf of Canadian consumers.

Let me start by asking a rhetorical question. There is a song out there from my youth: *Where Have All the Flowers Gone*? Let me change that to: Where have all the carriers gone? Where is Wardair? Where is City Express? Where is Nordair? Where is Austin Airways?

The list can go on and on and on in Canada and the United States. Where is Braniff? Where is Eastern? Where is National? Where is Western? Where is Frontier? Where is Ozark? Where is Piedmount? Where is Air Cal? Where is PSA? Where are Empire, Horizon, Air Atlanta, Jet America?

They have all gone. They have been gobbled up or they have gone into bankruptcy.

• (1030)

The same thing has been happening in Canada. It should not have come as a surprise to the Canadian government. We entered into the full formal debate on deregulation. The white paper *Freedom to Move* was tabled by the then Minister of Transport who is now Deputy Prime Minister. The indications were there in the United States which had been in a deregulated mode for about 10 years that we would have fewer carriers, not more; that we would have less competition, not more; that we would have higher prices, not lower prices; and that safety would be undermined.

Regretfully all that has come to pass in Canada. The Conservative government decided to go full bore into economic deregulation.

I want to make clear what that means. That is not just getting the government off the backs of the industry, which is how the government would like to phrase it. It changed the way in which the system was managed. It took those sectors—air, road and rail, primarily road and air—from a test of public necessity and convenience to a fit, willing and able kind of test.

What that means in layman's terms is that under regulation, carriers who wanted to change their rates, to change their routings, to drop a city or to add a city to their network would have to apply. They would have to prove that there was a need and that there was a public benefit from the proposed change, or that the negative aspects were minimal and they had no choice because of rising fuel costs or what have you.

That is all gone. What we ended up with is a system where the banker made the decision. If you could convince a banker that there was a need for a service and if that banker was prepared to advance you the money, you were in business. Yes, you needed a safety certificate, but the reality we have seen from the Moshansky report is how easy it was to get that safety certificate without going through the proper requirements of assurances of safe operations.

That is the kind of system we went to. In Canada we have gone from three major airlines, Air Canada, Canadian and Wardair, down to two. Initially we saw the emergence of a number of independent regional carriers: Atlantic Canada, central Canada, western Canada, the north. Just as an aside I want to remind the House that the north retained its regulatory regime because the transport committee unanimously recognized that the north was different. There is a different kind of regime north of 60 that allows greater control by the government. However, that is aside from the point.

We now have Canadian Airlines negotiating very seriously with American Airlines for an infusion of equity. As much as 25 per cent of Canadian Airlines is up for sale to American Airlines. Air Canada has suggested if that happens it may have to follow suit. It is the beginning of the end of the word "Canada" in those two airlines.

At the same time, as part of this new regime of competitiveness brought to us by the Conservatives we have ended up having all those regional carriers that emerged in the rush to get in on the bandwagon to make a buck being acquired in some cases 100 per cent, in some cases 50 per cent and other ranges by the two major carriers. We have a duopoly in Canada, an unregulated duopoly.

That has not benefited customers. It has not benefited communities. In terms of customers, they are required to pay even higher prices for less service. A number of communities lost jet service, communities like Sault Ste. Marie, Dryden, London, Windsor, North Bay, Sudbury, all in Ontario, and Brandon, Manitoba, to name a few. They lost jet service. Their replacement service was the smaller, commuter Dash-8 type of equipment, albeit a very excellent aircraft. But when you go from a jet service which has in some ways an elitist feeling about it to a lesser service, in the eyes of those communities their communities have been down-graded; it is no longer the economic stimulater they once had.

The community of Dryden, for example, used to be the regional hub for northwestern Ontario. It was not Thunder Bay. Because Dryden had jet service, it made sense for the smaller northern carriers to base their operations there, or at least to provide connections there up into the far north, to the northern reserves, to Kenora and to other communities in the northwest. As a result of deregulation, Dryden lost its jet service. Even more important, it lost its hub status. That moved to Thunder Bay.

That is a plus for me and my constituents, and it certainly has helped us make the argument for a brand new terminal at the Thunder Bay airport because of the rapid increase in traffic that has occurred there. So we are winners. But Dryden was a loser. It has also had an impact on its economy, because without the jet service, without the ease of connections and the quality of service, the business community is less likely to see Dryden as a place in which to locate. I think if you talk to the mayor there you would find that what I am saying is very accurate.

At the same time, the passengers have been squished into smaller seats. In some cases they have lost in-cabin services. In some cases they do not even have washrooms, although that is slowly changing in terms of providing bigger and bigger equipment. So there was a decline in services offered. Yet they were still expected to pay the same to fly from Thunder Bay to Winnipeg on a Dash-8 as they were paying on a jet.

Let me touch briefly on the fares, because I think it is a key element. The government and the promoters of deregulation argue that it is cheaper flying today than it was in 1984. I have a service bulletin put out by the Aviation Statistics Centre from Stats Canada. It shows a year-by-year, in fact quarter-by-quarter change in air fares. It breaks it down between northern economy fare and northern discount fare, southern economy fare and southern discount fare.

When you look at the southern fares, the ones that most of us in this room have paid for by the taxpayer, economy fare since 1986 has gone up around 50 per cent. The Consumer Price Index has only gone up by 27 per cent in that same period. In terms of the full economy fare, the business person who does not have discretion in terms of when he or she may fly but has to get to Toronto or Ottawa today, buys his or her ticket with no discount. That has gone up by 50 per cent, if not more, since 1986.

That has an impact on the business community. It has an impact on governments in terms of additional costs to them because governments do have to fly people from city to city in order to do their work.

On the discount fare in the south, it has not gone up as much but it has still gone up slightly above the CPI. It looks like it is about 130 per cent of what it was in 1986, again comparing to a 27 per cent increase in the CPI. So it has gone up marginally more than the Consumer Price Index.

To say that we have all gained because of deregulation is not accurate. We may have not seen the increases as drastic, I would grant you that, but we are still paying more today for the discount fares than we were in 1986 and we are paying more than we would if the Consumer Price Index had been the measure. Keep in mind that under regulation, any of these fare increases would have to be subject to the test of public convenience and necessity. While there was some inflexibility under the old CTC when it came to rate setting, I think that could have been fixed in such a way to provide greater opportunities for the carriers to provide discount fares while at the same time not affecting their bottom line.

• (1040)

Let me turn now to the bottom line because that is really the nub of the issue. When you take the decisions about safety, the cities that you service, the rates you charge, out of the hands of the regulator, i.e., out of the hands of the state and give it to the bankers, the driving force is: "Can I make a buck? Where do I have to reduce my input costs in order to maximize my profit?" I think what we saw throughout the last six years, if not more than that in Canada, and certainly in the last 15 years in the United States, is that as a result of the cut-throat competition with prices being driven down in order to attract traffic to a particular airline, they have put themselves in financial jeopardy.

That is why Wardair went under. In a sense, it had no choice but to sell to Pacific Western. That is why City Express could not make a go of it, even though I can remember the owner of City Express telling the transport committee as we were studying deregulation: "Just watch me. I can compete with the big boys and win". He could not. He lost. Quite frankly, we all lost because that was a good service, an entrepreneurial service that filled a niche in the market.

The other element of the bottom line regulation is that you begin to look at ways to cut costs that you would not have looked at before. There is nothing necessarily wrong with working smarter, but we saw what was happening in the States and we gave a warning, my colleague from Regina—Lumsden and I. I have handled this matter since 1984 and my colleague for decades before that. At one time an airline would replace its component parts well before the legal limit of that part or the specifications said to. For example, a widget that had 1,000 air hours of use might be replaced at 800 hours to give that additional margin of safety. At the same time, minor maintenance problems on a plane would be fixed immediately.

What has happened because of cost cutting is that part that has to be replaced in 1,000 hours is not replaced until 1,000 hours. Those minor problems with the plane are stacked up and, therefore, they end up as part of a major repair job.

Certainly, Justice Moshansky in his report outlined that on the Air Ontario flight, the fatal flight that crashed in Dryden killing 24 people, there were a number of maintenance deficiencies that had been noted a number of times and while by themselves they did not cause the accident, they certainly helped to create the atmosphere in which the accident was caused.

We see from an economic point of view that when the banker rules the roost, too many things go by the way. We would prefer a return to regulation so that carriers, those that still exist, can in effect be guaranteed a reasonable return on their investment. After all, they are there to make a profit. They are not there as public servants, although we wish Air Canada was back in that mode as a publicly-owned company, publicly owned by the taxpayers as opposed to the individual shareholders. But that is a matter for another debate.

The key thing is we need some stability. Carriers have to be assured of a decent return. In doing so, we then ensure that they can afford to pay for the kind of maintenance we need, the kind of safety we need, the kind of services we need.

Let me turn now from air to trucking. We saw a separate piece of legislation in this House deregulating trucking and parallel action in the provinces to also deregulate trucking. I found that whole aspect quite ironic because as a provincial member of the legislature in Ontario in 1976, I was part of a select committee that studied trucking deregulation in Ontario. Deregulation never occurred there under the Conservatives, but as a result of what the federal Conservatives did here, the provincial Liberals agreed and followed through with deregulation.

What we saw happening in trucking was in a way a microcosm of what happened in air. We saw the emergence of a whole bunch of new truckers. A lot of the independents that for years were operating illegally became legal. They had the ability to get out and make a buck. A lot of new ones came in, again with the same test. If you can convince your banker, you can buy a rig and you can go out and hustle for the work.

We raised expectations and a lot of mom and pop operations developed, that independent spirit. What happened was that the industry grew too fast. There were more trucks than there was cargo, so costs became a factor. We saw outside this House the place was almost surrounded by rigs. We saw in Windsor the bridge between Windsor and Detroit shut down because of truckers who were angry at the inability of governments to assist them. They were angry that there was not enough work for them. They saw their limited cargo access being siphoned off to American truckers because they have different tax laws, different write-offs and what have you.

We created a situation where we had gone from a regulated environment where there were some controls on the number of trucks as a way to guarantee quality of service, a restriction on the quantity of service so that the number of trucks on the road matched the cargo that was available, so that there was a good bottom line that those who were in business had a decent return. Yes, they tend to be larger companies, almost back to that point where a lot of the independent operators are now locked into contracts with a major company. They are finding themselves no better off as a result of that.

Mr. Speaker, I know that I have limited time left. In conclusion, the motion that we put forward not only is a statement about deregulation itself, but is also an indication that this government has failed to recognize that its philosophy did not work. It did not create more competition, it did not create more jobs; it did the opposite: less jobs, less service, less safe operations.

I know it is time to turn things around again and provide some stability in our air industry, our trucking industry and in our rail industry, which I have not even got to because of the time available. If we do not then what is happening to Canadian Airlines is going to happen to CN, CP, Air Canada and our trucking companies. More and more they will be bought up and controlled by individuals and companies south of the border.

I would like to leave you with just one parting word. The reason that this country developed as it did in an east-west mode was because of the foresight of our first Prime Minister who said we had to have those connections. By deregulation, we have lost those connections entirely.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I am pleased to be able to be involved in this debate on the opposition motion this morning.

I listened intently to a colleague of the House defending this motion which deals with deregulation. It does not surprise me that he and his party would be opposed to deregulation because they are basically opposed to privatization of most things. They would like the government of the country to own all transportation, to basically be involved in a major way in the activities of trucking and rail. In other words, it is the socialistic view that he presents in his place. Although we never talked about that part of it, his view is quite simple. It is that private enterprise should not be into transportation.

• (1050)

He shakes his head, but if he had heard what he said this morning, he is opposed to deregulation which allows for the private sector to invest in the transportation industry not to be dictated by the government. But in fact, in his case it would be.

He did not acknowledge that the customer becomes the king. The consumer decides how many airplanes should fly, how many trains should go back and forth as opposed to imposing this at the expense of taxpayers and the state of the economy of this country.

I want to get to the specifics of what he talked about. He made a statement that deregulation reduced services and made air traffic less safe.

If that is the statement of the opposition today, let the hon. gentleman stand in his place and tell this House what safety regulations were taken away or were reduced by the Department of Transport. What specific safety regulations were ended because of deregulation? Let him be specific. Which specific safety regulations do we not have today that we had before we went into this deregulation?

Mr. Angus: Mr. Speaker, I welcome the question. It shows the underlying lack of knowledge of the government as to the impact of deregulation.

Let me deal with his last question in a very direct way. There were no safety regulations that were changed as a result of deregulation. There is no question about that.

As to what was not done, as far back as the spring of 1984 the departmental staff were warning that they did not have sufficient inspectors to ensure that as we moved into a deregulated environment we would be able to make sure that it remained safe. That is point number one.

With respect to point number two, I will repeat what I said in my speech. When you take away the economic stability of a carrier and that carrier begins to look for ways in which to cut corners, then instead of an extra margin of safety that it would operate under—in other words, replacing a part at 800 hours instead of the prescribed 1,000 hours—the margin of safety was reduced. There was no violation of the law, let us make that clear. But it created a culture that left open the possibility of a Dryden crash which regretfully happened.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I listened to the hon. member for Thunder Bay—Atikokan, who talked about trucking. I have an article from March 1992 written by Jean-Roch Savard which says: "On December 6, 1991, the Government of Canada announced a series of measures concerning the transportation industry, especially trucking. These provisions should in principle improve the tax system for carriers and subcontractors. By taking advantage of these measures, highway transportation companies should become more competitive, it is thought". He concludes his article by saying: "In my opinion, only a concerted effort of the federal and provincial governments will get the trucking industry back in shape. Ottawa has shown its goodwill. Given the present political context, Quebec must get the message and do its part".

Will Ontario now do its part to help the trucking industry in southern Ontario?

[*English*]

Mr. Angus: Mr. Speaker, I welcome my colleague's question. First of all, let me say that I welcomed the federal initiative. It was a good short-term solution to a long-term problem. But it would not have been necessary had we not allowed the proliferation of truckers to exceed the ability of the suppliers to provide goods to move. That is the reality.

In terms of Ontario, I do not have the specifics with me. Ontario did participate with the federal government in trying to find solutions to the situation as it related to Ontario. It is working on it. It has made some announcements. I am not sure if they parallel those of Quebec.

Certainly, we all recognize that truckers are in deep trouble. Not just the independents but the whole system is in trouble because of the competition from the United States. If we let the NAFTA agreement go through, assuming that the draft that I read into the record in this House is accurate, giving them full access to trucking, then we might as well kiss all of our independent operators goodbye.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I quite appreciated the speech by my hon. colleague that pointed out to some degree the inevitable impact of deregulation and the difference in philosophy. It is clear there is a difference in philosophy between this side and the other side.

I want to ask a question about the government acting within the context of its own ideology, within the context of the American experience in this House during the debate.

I clearly remember the warnings given to the government about the inevitable rise in the amount of traffic, for example at Pearson airport, and the necessity of increasing the number of air traffic controllers.

I ask my colleague what was the government's reaction to that? What has been the sequel? I ask him if he is aware of the increase in the number of planes that do not take off for mechanical reasons? Also, what is the impact of increased traffic on the availability and adequacy of inspection of aircraft in the latter regard?

Mr. Angus: Mr. Speaker, I could use a whole ten minutes just responding to my colleague.

Let me try to deal quickly with the elements. With regard to planes not taking off because of mechanical difficulties, there is a definite indication of an increasing number. There is also an increasing number of the smaller commuter carriers that cancel in-between flights. Say there is one flight every hour but there are not enough passengers, so they cancel a flight. Under regulation they would not be allowed to get away with that.

In terms of air traffic controllers, in terms of inspectors, the government was warned time and time again that what it was doing was inconsistent with the realities of deregulation. If you are predicting more planes in the air as a result of your policy, then you damn well better have more air traffic controllers to handle that in the air and more inspectors to ensure that the operations are in fact safe.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased to have this opportunity to bring a little reality to this debate and to demonstrate that the government's regulatory reform has been quite a success. I have the facts to prove just that.

I must say that I welcome the contribution to this debate and also the sense of reality brought to the debate by the hon. member for Portage—Interlake. The member for Abitibi also posed a very good question.

During the mid-eighties, the government saw that the legislation which had served and protected transportation industries well in the past was impeding their growth. This legislation served neither the Canadian industry nor the travelling public.

In 1987, the government introduced economic regulatory reform in transportation, a regulatory framework to meet the needs of modern Canada. The National Transportation Act of 1987, the Motor Vehicle Transportation Act of 1987 and the Shipping Conferences Exemption Act of 1987 brought in a new era of economic regulations for the transportation industry of Canada.

That legislative package recognized the importance of transportation in enhancing Canada's competitive edge in the global economy and in promoting the economic growth of its regions.

To achieve those ends, specific provisions in the legislation were designed to encourage the development of a new competitive environment, an efficient transportation system that meets the needs of shippers and travellers and a simplified accessible and responsive regulatory process.

The key elements of the new national transportation policy are safety, competition, less regulation and increased accessibility. Safety of the transportation system is the top priority. The transportation system exists to serve the needs of shippers and travellers. Competition and market forces are the prime agents in providing economic, efficient and adequate transportation services at the lowest cost.

• (1100)

Economic regulation of carriers will be minimized to encourage competition both within and among transportation modes. Carriers should, as far as is practicable, bear a fair share of costs and facilities and services provided at public expense and to be compensated for publicly imposed duties.

Transportation is a key to regional development. Carriers should not create undue obstacles to the mobility of all, including disabled persons.

In proceeding with these major reforms, the government did not underestimate the strategic importance of Canada's transportation industry. As a prudent manager of Canada's assets, it mandated that the National Transportation Agency review the operation of the new regulatory framework and report to the minister each year for four consecutive years.

Three such annual reviews are now in and they indicate that the economic regulatory reforms and objectives are being met. Let us look at the facts as reported by the agency.

First, there is no evidence of a reduction in safety. This was confirmed by the preliminary 1991 statistics from the Transportation Safety Board which, as compared to 1990, indicated a slight decrease in the railway accident rate, a decrease in the number of shipping accidents and no change in aircraft accident rates.

Generally, Canada's transportation accident safety record in the 1980s was good. The trend in accident rates in the air and rail modes has been downward. Moreover, the available data indicate that the introduction of economic regulatory reform in 1988 had no detrimental impact on the transportation accident rate. The rates have generally continued their downward trend.

Second, competition and market forces have kept real rate increases down. Let me highlight a few examples to illustrate this point. In the air mode there was an increase in the use of discount air fares. About two-thirds of passengers travel on discount fares on southern routes and there is a growing use of discount fares in the north. In the rail mode, freight rate increases have been lower than inflation. The level of competition has kept downward pressure on trucking rates. The market conditions have also kept freight rates of international liner shipping services in check.

Third, there has been a growth in the number of air and truck carriers. While some consolidation has occurred, competition still predominates. Moreover, in the rail mode we are witnessing the emergence and expansion of short-line railways.

Fourth, there have been major improvements in levels of services and increased competition. For example, in the air mode comprehensive national networks of the two major carrier groupings have resulted in widespread competition and increased services in terms of domestic city payers connected by direct and indirect flights.

Alternative services are being offered for the first time to many communities in Canada. In summary, travel options have been expanded with increased competition in price, service and quality.

Finally, intermodal services are improving. Shippers report improvement in intermodal services for domestic and transborder traffic. Port container traffic reached its highest level ever in 1990, while railways and port terminal operators made a number of intermodal facility investments in 1990.

The facts are there to prove that our regulatory reform is successful. However, the government recognizes that not everything is rosy. The demand for transportation services is derived from the demand for goods and services in the economy in general. The reduction in economic activity world wide in the recent economic downturn has slowed transportation activity. Moreover, the air mode was doubly affected by last year's Persian Gulf crisis. All modes have been affected and the drop in transportation activity has affected the financial position of the carriers and of employment. The transportation industry is not immune to slower economic growth. The transportation sector is expected to improve, however, as economic recovery gathers momentum. We are seeing those trends already beginning.

On February 3 the Minister of Transport announced a comprehensive one-year review of federal transportation regulatory legislation. This review will complement other consultations that are under way in conjunction with the government's prosperity initiative. The review will provide valuable information on the transportation industry by identifying and assessing developments since economic regulatory reform was introduced in 1988. It will also highlight opportunities for improvements in domestic transportation.

As we move through the 90s, transportation will be as strategic as it was 125 years ago at Confederation. Transportation is a pillar of prosperity in Canadian competitiveness. Economic regulatory reform has been successful in bringing about a strong and vital transportation sector.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I want to congratulate the Parliamentary Secretary to the Minister of Transport for boldly stating what few other members in this House would probably state, in fact, what few Canadians would believe.

I want to take one statement he made in that very short summation on deregulation by this government since 1984–85. He said that there was no reduction in accidents in the air. The parliamentary secretary said that.

I want to give him one example of evidence that we, the minister and Transport Canada have which refutes that very statement. The Canadian Aviation Safety Board's figures for 1981 to 1984, prior to deregulation, show that accidents numbered 695 in 1981 and fell to 458 in 1984.

Then deregulation set in. This government embarked on its program of deregulation. From 1985 to 1991, the number of accidents went up. In 1985 there were 438 accidents; in 1991, 449 accidents. This is not rhetoric. These are figures released by CASB, the Canadian Aviation Safety Board.

I want to ask the member, based on this information, how he can say that there has been no reduction in the number of accidents in the air.

Mr. Richardson: Mr. Speaker, I welcome the hon. member's question. It points out again how these opposition members and this member in particular like to manipulate numbers to mislead those who will read *Hansard* and those who are watching this debate right now.

Let me say at the outset that I am delighted we have *Hansard*. It is a printed record of what is said here in the House. It is quite clear through a review of *Hansard* that at no time did I use the words that the hon. member has just attributed to me.

I said that there is no change in the accident rate. There is a significant difference between the numbers in a given year of accidents and the accident rate. Clearly, if anyone would care to look at the numbers, they would note that there has been a tremendous increase in the volume of air traffic in Canada over the years.

For example, if there were twice as many flights in a given year, one would presume that at the same rate there may be, unfortunately, a few more accidents. If there is only one plane flying, there is considerably less chance of accidents than if there is more than one.

I always have to have a look at the hon. member's motivation when he brings out these facetious arguments with regard to manipulating numbers as he did the other day in the House when he was asking our minister about the figures for regulatory safety inspectors and asking who was right.

I found it an interesting question, enough to pursue the matter. I found that both ministers were right, the minister who made a reply in this House several years ago to which the hon. member referred his question in the House this week, and also the current Minister of Transportation.

The member, as is usual to suit his purposes, is comparing apples and oranges. He is asking one minister about the regulatory safety inspectors and comparing his response to a question asked several years ago of the former Minister of Transport who was referring in his numbers to inspectors.

I have it here in the total system. This was back in 1985. His answer included air navigation and airport inspectors as well as regulatory safety inspectors.

• (1110)

Obviously, there will be, as there is today, more in terms of numbers when you include air navigation and airport inspectors in the figures of regulatory safety inspectors. These are two other categories of inspectors to which the former minister referred. It is a somewhat clever but deceitful effort to manipulate numbers to the member's advantage.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I listened with interest to the parliamentary secretary's response. I want to point out at the outset of my comments that deregulation only applied to commercial aviation. It did not apply to the owner-operators, the general aviation class. It only applied to the commercial ones, the folks you and I buy tickets from to ride on their planes.

We have been playing with numbers. The reason I pointed out that deregulation talks solely about commercial aircraft is that the numbers the parliamentary secretary uses, the numbers the minister uses, while accurate, are meaningless in the debate about deregulation and about the Dryden inquiry. The real numbers from CASB indicate that from 1984 to 1991 the Canadian registered aircraft commercial operations accidents increased by 33.7 per cent. More important, and this comes back to a comment made by the parliamentary secretary just now, the total accident rate per 100,000 hours has gone from 8.3 in 1984 to 9.4 in 1989.

Therefore, the member's argument that safety is better because there are more planes in the sky and more hours does not hold water. The agency's own reports show that there has been an increase, not just in the straight number of accidents, but in the rate of per 100,000 hours. It is going up, not down.

My question to the member is: Why does the government continue to insist on mixing apples and oranges in this debate instead of being honest with the Canadian public and saying the accident rate has gone up and it is going to do something to bring it back down?

Mr. Richardson: Mr. Speaker, we could keep going around this. The facts are clear. The member stated in his somewhat lengthy preamble to his question that our numbers were accurate. That is on the record as just now admitted by the member. Our numbers, the numbers of the Minister of Transport and the Department of Transport are accurate. There has been no increase in the rate of accidents in this country. He is referring specifically to air safety here.

I would like to repeat that we have just completed a three-year inquiry into a particular crash. The Moshansky report has recently been tabled and I think the member is aware that just this past week Mr. Justice Moshansky, who completed this very detailed report and assessment, indicated that Canada has one of the safest aviation systems in the world. That speaks for itself.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I again restate that it is privilege for me to rise and debate this opposition motion regarding the deregulation of our transportation industry.

For the record, let me restate what that motion is.

> That this House condemns the government for its unwillingness to concede that the deregulation of the Canadian transport industry has been a failure and in fact has led to fewer carriers, fewer jobs, higher prices, reduced service and less safe operations in air, road and rail transportation.

The thrust of this motion is correct. However, I would like to state one important caveat with respect to the intention of this motion. What it states regarding higher prices and job losses is true. Of paramount importance, however, is the government's complete failure to be prepared to deal with the creature it unleashed. There are literally volumes of documentation rife with examples of this government's failure to deal with deregulation.

I would like to set out other problems in Transport Canada which, as far as we on this side of the House are concerned, have barred real attempts at reform within the transportation system.

Transport Canada has become a revolving door of ministerial irresponsibility. On the one hand, ministers are replaced at the drop of a hat when cabinet shuffles are completed. This fact severely mitigates any changes to the system which might have been under way as the minister became more familiar with the department.

I have that kind of knowledge first hand from one of the previous five Ministers of Transport that this government has had in office. In fairness I am not going to state who that is. I am not going to say who it is by name, but he knows who it is. He was the one who told me at a dinner one night when we got together with other members of the transport committee. He said to me: "Damn, I was just getting my teeth into this thing. I was just starting to understand that massive portfolio called Transport Canada and now I have to be moved off to another minister's portfolio". That is indeed unfortunate.

On the other hand, successive managers, and we are talking foot soldiers, senior managers and the minister, brought in from the outside have made their mark in the department and then have moved on, of course merely compounding the phenomenon of the revolving door which I just spoke about.

The problem is that ministers and managers trying to make the right career moves did not implement policies which would probably have increased the department's spending. Remember that this is a government that, from the very beginning, made deficit reduction its over-all policy objective.

When deregulation was proposed by this government, its belief was that the industry, air and road, would blossom on its own. It believed—and we have heard it from the Parliamentary Secretary to the Minister of Transport—in that Conservative credo of survival of the fittest and took the reins of the marketplace so that the industry could grow without undue government regulation and supervision. But the government failed to tend to the roots of that system. We know full well that when something has to grow, one has to put in the support mechanisms and the resources that will ensure the steady, strong and vertical or upward growth of that system, but not this government.

I want to take you back, Mr. Speaker, to the excellent and far-reaching report of the Dryden inquiry. The commission chair, Justice Virgil Moshansky, was extremely thorough in his investigation of Transport Canada, as well as the airline involved in that tragic accident of March 10, 1989. In volume 3 of the report it states: "Throughout the hearings of this inquiry into the Dryden accident, I heard repeatedly concerns expressed by Transport Canada witnesses regarding their inability to respond effectively as regulators to an increased demand for air carrier certification, inspection and surveillance services". According to the witnesses, the certification inspection and surveillance workload created by a rapidly changing air carrier industry was not matched by a commensurate increase in resources for Transport Canada's regulatory agency.

• (1120)

The resource squeeze stems from the almost simultaneous introduction of two federal government policies in 1984, namely economic regulatory reform of the air carrier industry and deficit reduction, a program imposing fiscal restraint on federal government services. The combined effect of these two policies created a difficult set of circumstances for Transport Canada personnel responsible for air carrier safety.

At the time of deregulation, under the former Minister of Transport who is now Deputy Prime Minister, it was called a freedom to move. There was concern over what the government was trying to achieve under deregulation. The Official Opposition sounded the alarm bells but was continually assured by the then Minister of Transport that everything was going to be okay. He stated back in 1984: "I would like to indicate unequivocally that the government will neither propose nor permit any economic regulatory reform that might be detrimental to safety standards".

That was not what his deputy minister was saying. I want to quote again from the Moshansky report on page 874. This is what his deputy minister said:

> You can't talk about it—

That is, economic regulatory reform.

> —without talking about another government policy because while I said a moment ago that, yes, we would implement the policy laid down to us by the Minister of Transport, one is essentially saying in these major policy initiatives, that one is implementing the policy of the government, of the Ministry, of the decisions, the policy decisions of the government.
>
> Yet, another high priority policy decision of the government was deficit reduction. And the first blush of deficit reduction measures hit in Mr. Wilson's economic statement of November 1984. And these—these measures that were in that impacted upon the department.
>
> The department took a second blow in terms of deficit reduction targets in the May 1985 budget, which was, in financial planning terms, hard on the heels of November '84.

That was back in 1984 from the then Minister of Transport's deputy minister. Clearly the department was struggling within itself, wrestling with two diametrically opposed points: safety and saving a buck. We all know and we all can appreciate, and we have all stated it time and time again in this House, that you cannot fudge on safety.

By 1985 the department realized this problem and undertook to investigate the experience of deregulation in the United States. There was a trip. The purpose of the trip south of the 49th parallel was to obtain the experience of officials from the Federal Aviation Administration, the FAA in the United States, which had six years of deregulation behind it. That trip proved to be a turning point in Transport Canada's awareness of the huge expansion required in the United States of additional safety inspectors. They realized that if the object of deregulation was to increase business in air transportation, they would need to have safety resources commensurate in order to keep up. In the United States, the number of inspectors increased rapidly.

The Canadian delegation was headed by Donald Douglas, then Transport Canada's director of licensing and certification.

I have, for the consideration of this House, a memorandum from that very crucial meeting. I want to read into the record some of those concerns made by the Canadian delegation when it returned from FAA headquarters in Washington back on December 20, 1985: "The FAA has just announced that they would be hiring 500 new inspectors over the next three years to keep up with the effects of deregulation. The FAA is also planning to hire 1,000 new air traffic controllers".

Another member of the Canadian delegation was Ian Umbach. He stated in testimony to the Moshansky commission that air carrier inspectors were facing grave difficulties keeping up with the workload of inspectors. He states in his report, page 879, in a question and answer between the commissioner and Mr. Umbach:

> Q. And were you making submissions to your supervisors saying, look, I need more staff?
>
> A. Yes.
>
> Q. So your numbers were part of that 1,150 (person-years) requested?
>
> A. Yes.
>
> Q. And what signals were you getting from above, from your supervisors?
>
> A. Other than losing a PY (person-year) we were getting no response.
>
> Q. And what were the reasons—what was your understanding?
>
> A. We were downsizing.
>
> The Commissioner: You were what; you were downsizing—
>
> The Witness: Downsizing.
>
> The Commissioner: —in staff?
>
> The witness: Yes, Sir.
>
> Q. So in effect, you were asking for more inspectors, but in fact, they were taking inspector positions away from you?
>
> A. Yes.
>
> Q. And what about your workload? Were they reallocating your workload or requesting you to do less work?
>
> A. No.
>
> Q. What was happening?
>
> A. We were doing more with less.

That is the crux of it, Mr. Speaker, doing more with less. Time and time again the opposition had raised the need for adequate resources but kept on receiving assurances from the minister that everything was under control.

I, too, put a question to the Minister of Transport and our transport critic, the member for Ottawa South, put questions to the Minister of Transport, as did our members from the north. If you want to talk about playing with figures, if you want to talk about playing and manipulating the numbers, last week on Tuesday, in *Hansard*, page 9093, the question from me that day:

> The Minister of Transport stated in this House last Thursday that the total number of inspectors—
>
> The total number of inspectors in aviation.
>
> —increased from 456 in 1985 to 569 in 1991. According to the Deputy Prime Minister, when he was Minister of Transport back in 1985, the actual number of inspectors was not 456, but somewhere over 600.

The question was asked, the total number in the aviation business. The answer was 456. But back in 1985 when that same question was put the number was not 456. The number was in excess of 600.

The current Deputy Prime Minister who was Minister of Transport of the day said on one day 600, and then put it accurately on the very next day, 614. Industry-wide inspectors, that was the question. That was the answer. Those are the facts.

While there were the foot soldiers in Transport Canada who were frustrated by the staffing shortfalls in inspectors and repeatedly warned the higher levels at Transport Canada, that middle management, that senior management about the gaps in safety, the warnings of course fell on deaf ears.

Even in later documentation it was admitted that Transport Canada just was not up to scratch on staffing requirements for inspectors. In 1987 a preliminary review of aviation regulation was conducted by the then assistant deputy minister of aviation. It was clear from this internal overview of deregulation that Transport Canada was unable to increase certification and inspection workloads. Part of the executive summary of that preliminary report echoed previous concerns regarding the diametrically opposed concerns of safety versus the almighty buck.

• (1130)

It is very clear on page 887 of the Moshansky report. This is the preliminary review of aviation regulations done in June 1987:

> Regulatory reform of the domestic air industry was introduced at a time when the department possessed neither sufficient trained resources, the required planning and operational processes, nor the necessary enforcement capability required to effectively monitor and foster aviation industry compliance with established safety legislation, regulations and standards. In this respect, the Department has generally paralleled the American experience with deregulation—Specifically, the following major areas of concern were noted during the preliminary 1987 review:

(a) The shortage of trained, experienced inspection staff and other personnel has seriously impacted on the Directorate's ability to effectively perform its mandated tasks; (b) The increase in certification workload under ERR, resulting from the need to service new and expanding air carriers, is affecting the Directorate's ability to effectively complete its ongoing inspection program, and thereby assure industry compliance with established legislation, regulations and standards;

We had these findings and again the concerns went virtually unnoticed. The revolving door at Transport Canada continued. Economics continued to win the battle, a losing battle, over providing sufficient financial resources to the most important, the priority mandate of Transport Canada, safety.

Let me take the House once more to the Moshansky report, that very comprehensive report, three volumes thick, to the findings at page 913 where the Justice states:

Based on the information before this Commission, the Aviation Regulation Directorate was not adequately prepared to perform its functions in the latter 1980s.

The warning flags raised early in the 1980s and repeatedly thereafter had seemingly negligible effect. The forecasts of safety assurance deficiencies were soundly based and progressively confirmed, yet there was no proper response by the senior management of Transport Canada in the form of urgent planning or action to meet the inevitable challenge.

I am going to proceed to the last one because my time is short.

Had the Transport Canada Aviation Regulation Directorate been in a position to discharge all of its responsibilities in an effective and timely manner, some of the factors that contributed to the Dryden accident may not have arisen.

What we are saying on this side of the House—and this is not a laughing matter, because all the signals were there—I say to the Parliamentary Secretary to the Minister of Transport: What we have been asking for years now is that the department get serious about providing the necessary resources to ensure safety.

Make no mistake, Mr. Speaker, today could be 1985 or 1989 all over again. The warnings have been issued again. Now in 1992 continued warnings are being given. We do not want to hear again in five years' time those words that ring out by Justice Moshansky. This accident at Dryden did not happen by chance, but it was allowed to happen.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I think it is important to re-emphasize that what was deregulated in these economic regulatory reforms, was the economic burden on the industry. The safety regulations have remained in place and have been strengthened over time.

We do not do justice to Canadians and the industry if we do not strongly say that today air travel in Canada is safer than it was 10 years ago. Transportation Safety Board statistics back this up.

The hon. member has made exhaustive reference to the Moshansky report. In a recent television interview, Justice Moshansky was asked: Is it safe to fly in Canada?

The author, the leader of the inquiry, Mr. Justice Moshansky replied on *Canada AM*: "Yes, I think it is safe to fly in Canada. I think we have one of the safest transportation systems in the world. That is not to say it is perfect. The thrust of my report was to identify deficiencies which should be corrected in order to bring it closer to perfection".

The Transportation Safety Board estimates that its accident rate since 1988 has been slightly below the average of the immediate preceding years. The most important thing for Canadians today is that we have not been standing still and waiting for this report.

Again as Mr. Justice Moshansky said: "I agree that the Canadian skies are safe. We have one of the safest aviation systems in the world, however, that is not to say it is perfect. We must also remember that this investigation was regarding an accident at a particular point in time. Certainly some positive steps have been taken by the department to correct a lot of the deficiencies which we discovered during the inquiry," he went on.

The member for Hamilton prefers to fearmonger and pretend that the government does not adequately respond to safety concerns. Our response clearly indicates our positive approach.

I want to ask the member this question. Does this mean that he has not taken the time to read our 93-page initial response to the Moshansky report which was tabled in this House and which indicates, as the minister has repeatedly said, that we have already acted on 49 per cent of Justice Moshansky's recommendations?

Is it possible that the member does not want to talk about a response precisely because it does show just how much we have done?

Mr. Keyes: Mr. Speaker, what the Parliamentary Secretary to the Minister of Transport has said is: What was deregulated was the economic burden. An economic burden? Is safety and the resources financially needed for safety a burden for this government?

Safety now falls on the altar of economic policy of this government and has its major operation, its gut and heart torn right out of it. Why? Because it has a system in place that says: "We want economic policy, tightening and rationalization to rule the day and safety be damned".

In response precisely to the parliamentary secretary's question: Yes, safety is there in Canada. Yes, safety is there. I fly. Most of the members in this House most weekends fly back and forth across the country, to their ridings and back to Ottawa.

As reported in *Hansard*, December 17, 1985, page 9522, the Minister of Transport of the day and now Deputy Prime Minister said:

> I would like to indicate unequivocally that this Government will neither propose nor permit any economic regulatory reform that might be detrimental to safety standards. That is the policy of this Government.

Do you know what happened? On March 10, 1989 there was a plane crash and 24 people died. That is what happened. But the skies were safe. Why? Mr. Justice Moshansky carried out this very thorough complete investigation of that accident touching on resources that were just incredible, the length of time it took, the people he spoke with, from departments to the man on the street. He said in his findings on page 913:

> It was known that significant increases in personnel would be required to meet demand,

Demand of what? Demand of deregulation. Yet such increases were not authorized, let alone acquired. Why, Mr. Speaker? Because the government has an economic policy agenda: save a buck. But wait a minute, we need more safety. Yes, safety is there right now, but we need more safety inspectors. Sorry, we will have to do with what we have but it is not enough.

• (1140)

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question to my colleague deals with deregulation. He will know from his reading of the Moshansky report that in the spring of 1984 the Liberal federal government was warned of the realities of deregulation, that they were not ready for the kind of deregulation that was put forward by the then minister of transport, the hon. member for Winnipeg South Centre.

Also, the province of Ontario under David Peterson followed the federal lead and deregulated its trucking industry which created the kind of chaos we saw outside this House and in the Windsor area.

I would like my colleague to explain how his position today relates to the positions of the then Liberal government of Canada and the Liberal government of Ontario.

Mr. Stan Keyes (Hamilton West): Mr. Speaker I want to thank my colleague from the New Democratic Party for that question.

Back in 1984 the then very capable, visionary Minister of Transport of the day had a plan and a vision for this country that would incorporate what we are waiting for still to this day. We hope to get it some time this fall, a comprehensive, multimodal, intermodal pattern of transportation in this country. We expect that some time this fall from the royal commission on transportation.

In 1984 we heard the cries of industry and we understood what the demands of the public were. Yes, deregulation was a consideration. I tell hon. members that step was in its infancy, was going to be worked on and then we all know what happened. There was an election.

In 1985, this government, that has taken us through everything we have gone through in the last seven and a half years and that the Canadian public are just fed up with—if we could have an election tomorrow everybody out there would be saying: "Praise be, let us have the election. Let us get to the polls. Let us get rid of this crazy government".

In 1985 the government also realized: "Let us have a good look at deregulation. Let us carry Axworthy's banner and have a look at it".

They went to the United States. They formed a group and visited the FAA. The FAA by this time had seven years of deregulation behind it. For seven years it watched the industry under deregulation. And do you know what? It blossomed. There were a lot more flights, a lot more congestion, a lot more planes coming and going from airports.

The government said: "If that is the case, we had better have a look at what the airlines will need and the demands upon us by the Canadian public to ensure safety is there". What did it learn? The Canadians who visited, and I speak specifically of Don Douglas, Canadian Air Transportation Administration, learned that the Americans would have to hire 500 new inspectors and 1,000 new air traffic controllers. What did this government do? Well, it is on the record and it was not enough.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I too, wish to address the motion moved by the hon. member for Thunder Bay—Atikokan suggesting that economic regulatory reform in the Canadian transportation industry has not been successful. I listened very carefully to his remarks, as well as to those of my colleague from the Liberal Party. There has been a lot said about regulatory reform and how it has affected safety. I really want to pick up on the safety of the transportation industry in this country, maybe more particularly air transportation.

The parliamentary secretary, the member from Calgary Southeast, stated that we did not touch the safety regulations. Safety is paramount. It is number one. What was deregulated was the crippling economic burden. The regulations, be they provincial, municipal or federal regulations, were just weighing the industry down.

In 1984 this government took office. It was at the request of the industry that it sat down to look at all the problems of the transportation industry. We did that in consultation with consumers, industry people, government officials, provincial government officials, as well as all areas of the transportation industry. There were seminars right across the country and indeed here in Ottawa. The transportation standing committee met many times—I was going to say hundreds, but I would have to check that—with regard to how we could move into deregulation and never, ever touch safety.

As the member from Hamilton West said, we cannot fudge safety and he is quite right. We did not. The regulation of safety, both in focus and by the reality of the regulations that are there today, remains in place. Indeed it has been strengthened over the intervening years.

With regard to the areas of accidents or injuries which none of us wants to see, they have diminished in terms of transportation over the past five to six years. The rates are down. The trend in accident rates for Canadian registered aircraft, for example—and I know my colleague across the way will be interested in this—has been downward, from 16.9 accidents per 100,000 flying hours in 1981 to 14.2 in 1987 and an estimated 14.0 in 1990. We can do better. Safety has to come first and we will not jeopardize it at all.

I repeat that the government categorically did not deregulate safety or de-emphasize the importance of safety within the transportation deregulation policy. I would not be doing justice to Canadians nor would anyone in this House be doing justice to Canadians if we allowed that type of misconception to go unchallenged.

Let me say that either the hon. member for Thunder Bay—Atikokan who moved the motion is perhaps misinformed—and I do not really think he is misinformed—or maybe he is unaware of the events.

The transportation sector is part of the basic infrastructure of Canada. Whether it is on rail, on water, in the air or on the road, it is absolutely essential to the daily economic and social life of this country. It joins the regions together from east to west. It moves goods and people from coast to coast. Its importance is reflected by the large part that it plays in our economy in terms of jobs that are created and revenues that the industry generates. Transportation services account for approximately 6 per cent of our gross domestic product, generating some $35 to $40 billion in revenue and providing over half a million jobs for Canadian men and women.

A strong transportation sector is absolutely important to the consumers and to the industry sectors. It is directly related to our competitiveness. It is directly related to how well this country does and our gross domestic product.

• (1150)

That industry, just like every other industry, is changing with the world. A lot of these changes that are perhaps difficult for us to accept are being forced on us by the outside world. We have to become more efficient. We have to become more competitive. We have to compete in the world. But safety has never, ever been on the table.

It is related to our competitiveness. It is what we sell here at home but more important, what we sell abroad where the transportation costs really play a major role. It is based in the final selling price of every product, every service that we sell. Low value, bulk, resource commodities are all major parts of our exports. The transportation costs can account for as much as 30 per cent of the final selling price. That is quite high.

We are trying to become more efficient and more productive and to rationalize. There were some jobs lost and we know that. However, there were too many truckers on the road to fulfil the need of the market that existed.

Getting back to the final price, the long distances we have to travel in this country from coast to coast, from tide water to tide water for our major exports really add a tremendous cost and are why some of our areas have not been competitive. For these reasons the federal government has always been and always will be committed to the future of transportation whether it be in the air, on the water, on the roads, or on the rails.

My colleague for Calgary Southeast was speaking earlier. He demonstrated that the government has put in place a successful regulatory framework that has improved safety services, choices, and has provided lower prices for transportation services for Canadians. Upon doing that the government did not just sit back. It went further and acted to support the transportation sectors with certain initiatives in certain areas to deal with problems they were having.

Let me give an example of our commitment to act when called upon. Last summer there was no doubt the trucking industry was having problems. It was financially suffering. The federal government stepped in. We have to realize that this is not just a federal government area. It also has to do with provincial governments. Of course it has to do with the truckers in the industries themselves. The federal government stepped in right then in order to find solutions to the problems. These were real problems. The Minister of Transport set up a task force to address the issues. It was under this government that the process of dealing with the problems and issues in the trucking industry, the way to find solutions, came about.

We did not abandon the truckers nor would we in their time of need. We stepped in to assist. The trucking industry task force involved many months of hard work, including meetings of all the key players, many independent analyses, non-governmental consulting firms making recommendations. At the heart of the problem for owner-operators was their low and unstable income. The studies done suggested that when economic recessions occur—and the whole world is in one—larger trucking companies reduce the level of work. Our owner-operators, in order to maintain utilization of their own vehicles and their own drivers, do this rather than getting out of the industry. Therefore the owner-operators have to accept work from whoever will hire them. This led to successive rounds of rate cutting in addition to the recession. There was a drop in traffic and it compounded the problem. Therefore we went in and met these issues head on. We tried to help in every way possible.

What the Minister of Transport concluded was a partial rebate of the federal excise tax on diesel fuel in aviation fuel. He realized that this was a problem. The rebate applies to the purchases of diesel and aviation fuel subjected to the federal 4-cent excise tax. The program provides for a temporary cash flow benefit of about $120 million per year to the transportation companies by allowing them to elect to receive an excise rebate of 3 cents per litre of eligible fuel. In exchange, businesses which elect to receive this rebate will be required to reduce their losses carried forward for income tax purposes. This was twofold.

The second area was an adjustment of the capital cost allowance rates. This was a major area involving the cost of their rigs *vis-à-vis* the United States and the major competition. The Minister of Transport along with his task force went in and made an adjustment of the capital cost allowance to reflect the actual depreciation better. We moved from 30 per cent to 40 per cent for freight-hauling trucks and tractors; from 7 per cent to 10 per cent for railway cars; and from 4 per cent to 10 per cent for truck and other specified class one rail assets.

This one move will provide about $30 million per year in income benefits to Canada's transportation industry, approximately $15 million for trucking companies and $15 million for the railroads.

There was a third area that the minister addressed. He also announced the formation of a trucking co-operative with $2.7 million in federal assistance. The co-operative will improve the financial viability and the competitiveness of its members through reduced costs by establishing bulk purchasing power for equipment and supplies of for-hire owner operations and by acquiring assistance of business management experts.

Finally the fourth area was a $3 million federal contribution as a start-up fund for a trucking research institute. This is one area where Canada knows it has to pay more attention to research and development and science and technology.

The institute will satisfy the need for focused research and development in the trucking industry and help address the current difficulties faced by truckers so that they can remain viable and that they can remain competitive.

Our government has also acted responsibly in overseeing the regulation of the industry. In this country regulation of Canadian interprovincial trucking companies is deregulated to the provinces under the Motor Vehicle Transportation Act. Under the legislation that was enacted in 1987, this act was to be reviewed within three years. A report reviewing the reverse onus test under the legislation will be submitted to the Minister of Transport in the very near future. Reverse onus allows applicants to receive a licence if they are fit, if they are willing and able, and if no other carrier or no other carriers can prove that they would be negatively affected.

This places the onus on affected parties to come forward and to make their objections known. One opinion may be to eliminate the reverse onus test which would leave in place the test of being fit, willing and able on the part of the applicant for the motor vehicle transport licence.

This test currently looks at safety records and at insurance as well. However, consideration may be given to include financial viability as a part of the test. I think this is one thing we will probably have to look at. The federal government is clearly doing its share and we can do more.

• (1200)

I really look forward today to the debate because transportation has to be one of our greatest areas and our greatest assets to make this country work. The federal government is doing its share in making the trucking industry viable, efficient and effective. We have not abandoned our commitment, nor will we.

As I stated at the very beginning, we are committed and we will continue to be committed to the future of this industry, but never ever will safety be jeopardized. We cannot do that. It comes first with the Canadian people, whether we are talking health and welfare, whether we are talking transportation or agriculture. Safety of the Canadian people has to come first, but the industry also has to be able to compete.

We need to look at ways to assist the industry in becoming more viable, more financially viable, making it more economically viable, providing it with methods and research so it can meet the competition head on. That is what it is all about. We need regional development and a trucking industry is there to support this.

We move goods from coast to coast by truck and rail. They are probably the most efficient ways. We have a good industry.

It has been unfortunate over the last few years that there has been a recession. Two or three of us have mentioned this. Obviously there had to be some rationalization. We had too many trucks and we had too many drivers on the road. It did mean some loss of jobs. In order to become efficient and effective and have a better industry, rationalization had to take place.

In conclusion, I appreciate taking part in this debate. I am certainly glad that the member for Thunder Bay—Atikokan has put this on the table today. We have heard a great deal about infrastructure with regard to the first premiers' meeting. We realize that perhaps they would like more funding. That is in another department, another portfolio, but it proves that infrastructure is important. Whether it be airports, highways, seaways or freightways, we simply have to make sure that this country can work.

I want to say thank you very much. I look forward to continuing this debate and hopefully we can hear some very good suggestions and solutions to some of the problems that do exist out there.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to thank my colleague on the government side for her intervention in this debate.

She will have known that the recommendations of Justice Moshansky have created a bit of a stir in this House in terms of when they are going to be implemented by the government.

Justice Moshansky pointed out that there was an anomaly between the regulating of the pilots and the engineers and the cabin crew, the flight attendants. The pilots are regulated. There are regulations, as safety measures, that specify how many hours they can work.

This House, through the Standing Committee on Transport, in a review of the Aeronautics Act, gave the government the power to regulate hours of work for flight attendants, the motion that I made supported by the Official Opposition and, most important, by the government.

Justice Moshansky, not knowing that we had done that when he wrote his report, said we should do it. We are actually ahead of the game. The government in its response tabled by the Minister of Transport did not say it is going to do it. It said it was going to refer it to the Dryden commission implementation project. The government response says: "Concur action on the way, a new amendment to the Aeronautics Act enacted March 19, 1992 provides enabling authority for making a regulation respecting flight time limitations for flight attendants. The application of a new regulatory proposal will be referred to the Dryden commission implementation project".

My question to the member is why did the government choose this method when normally it would pull together an *ad hoc* committee representing the industry, the union, which in this case is the Canadian Union of Public Employees, and the department to draft the regulations that are workable? Instead, it has sent it off to this implementation project which has a whole range of things to do.

Is this the government's way of deep-sixing this very logical change in legislation as opposed to acting on it immediately so that flight attendants can have the same kind of protection the pilots do?

Mrs. Sparrow: I thank my colleague for the question. He has raised a very good point. There were a lot of excellent recommendations that came out in Justice Moshansky's report and I believe our government has acted on 49 per cent. We have taken specific action on 49 per cent of the recommendations. We are committed, absolutely and openly, to responding to and acting upon the 191 recommendations.

I believe that you were speaking specifically to the regulating of pilots and cabin crew, the flight crew attendants. The pilots' area has been addressed concerning the number of hours of work. It has to be addressed.

The Minister of Transport has set into place an implementation team that will be looking at the specific areas. There will be no duplication of services required. We have exactly the same goal. I agree with you that safety has to come first.

As I mentioned in my speech, never ever have we tampered with the safety rules. I really welcome the member's specific questions dealing with the hours of work of the flight crews. They have to be limited. You will find that the minister, through his implementation team, will come up with the same goal. I quite agree with you.

It is interesting how prior to the Moshansky report the government acted upon a lot of the recommendations. I can honestly say, and you will have to agree, that we did not sit back and wait and wait. We knew there were errors that we could respond to, or that the Department of Transport could respond to, in order to improve safety. You will find that we have exactly the same goal and the minister has in place an implementation team and we already have responded to 49 per cent and will complete the rest.

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, I would first of all like to congratulate the member for Calgary Southwest on her comments and on her speech. Her speech has certainly reinforced her reputation as a member of Parliament and an individual who cares, a reputation that was established in previous careers. Her comments indicate that she cares not only about the importance of safety in the transportation industry, but about trying to establish that very delicate balance between ensuring safety as a crucial priority and trying to solve some of the other problems within the transportation industry.

I would like to reinforce the importance of getting some of the facts on the record. I appreciate members for doing that.

There is some information important to reiterate here. The data from the Transportation Safety Board of Canada indicate that the trend in accident rates for Canadian registered aircraft has been downward from 16.9 per cent per 1,000 flying hours in 1981 to 14.2 per cent in 1987 and an estimated 14 per cent in 1990. The accident rate for Canadian railways has decreased from 17.4 per cent of accidents per million train miles in 1981 to 12.5 per cent in 1987 and to 12.7 in 1990.

• (1210)

The number of shipping accidents fluctuated from 1,075 in 1981 to 1,008 in 1987 and 1,202 in 1990. The data from Transport Canada's road safety directorate indicate that the motor vehicle accident rate has decreased from 133.1 accidents per 10,000 registered vehicles in 1981 to 124.3 in 1987 and to 107.3 in 1990. Preliminary 1991 statistics from the Transportation Safety Board all indicate an improvement.

I would just like to ask the member, in view of the fact that there is a significant improvement, what does she see that the government could do to enhance safety in the transportation industry?

Mrs. Sparrow: Mr. Speaker, I want to thank my colleague from Elk Island. He is quite right, safety enhancement is absolutely necessary. The main thing is to continue the safety research we have already undertaken in the various segments of transportation. We will constantly consult with the industry as well as the consumers. We will be reviewing the regulations and we will be discussing this with the Standing Committee or Transport. We will also talk to all the legislatures so that we can respond very constructively and very positively to the Transportation Safety Board of Canada. We are also open to any suggestions or areas of interest of ways of improving.

I thought I might correct my colleague who suggested, quite rightly, that aircraft accidents are down. There are 16.9 accidents per 100,000 flying hours. That is a little bit different from 1,000 hours.

When I spoke with regard to the transport minister's task force on trucking, we had a start-up fund of $3 million for a trucking institute of research. This is where transportation research has to be looked at, and no doubt there will be new modes of transportation, new types of engines, new hours of work for the cabin crew as well as for the pilots. We can always do more, but all in all we will continue to follow through on research and development.

In conclusion, I want to say that the report from Justice Moshansky with regard to the air disaster will be reviewed. As I said, we have already completed and addressed 49 per cent of the recommendations and will do so with the 191.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, there are two ways of looking at this debate in terms of whether the government was correct.

The Acting Speaker (Mr. DeBlois): I would appreciate it if you would indicate if your party is going to split the time between speakers in this debate.

Mr. McCurdy: I am happy to so indicate.

There are two approaches that can be used in this issue and that is whether to deregulate at all and how deregulation took place in Canada as a result of this government's policies.

First of all, most Canadians see deregulation in the context of deregulation, privatization, the free trade agreement and the destruction of a lot in this country which has been constructive over the years and the recognition of the unique characteristics of this country.

Deregulation is very much like the free trade agreement in that in principle it was fine but when looked at in terms of the fine print, it did not recognize significant differences that existed and exist now in Canada as compared to the United States. There are a lot of differences that are inherent in our country such as the large distances, the thin population, increased energy costs and characteristics and considerations of that sort which have burdened the free trade agreement as well as the question of deregulation.

I want to deal with the question of deregulation primarily by looking upon its manifestations in Windsor and to point out in how many different ways the government seemed not to know what were the consequences when it got into this. Had the government committed itself to deregulation then it should have put in place programs, structures and policies which would have been able to somewhat mitigate the inevitable implications of the implementation of deregulation.

Unfortunately we got an indication of the depth and the complexity of thinking by this government when we heard the speech by the Parliamentary Secretary to the Minister of Transport. I remember two things he said quite sharply. He said that if you have one plane in the air you will get so many accidents and if you have two planes in the air you are going to get more accidents. That shows you the depth of analysis that was conferred upon this debate and reflects the depth of analysis that was involved when this government chose to deregulate on the basis of relieving the economic burden on the transportation industry.

An hon. member: In the name of competition.

Mr. McCurdy: What this is supposed to mean I do not know in the context of saying that it has nothing to do with safety because obviously the measures involved in safety do confer a substantial economic burden both on the government and the carriers.

Windsor is a strategic point in Canada. It is the nexus of air, ground and rail transportation between Canada and the United States insofar as Ontario is concerned. If we look at each of the areas, trucking, air transport and railways, we are going to find examples of the impact of what this government did with respect to deregulation clearly manifest.

With respect to trucking, what we have found is that in 1989 there were 57 bankruptcies in Ontario of truckers. In 1990 there were 140 or so, and in 1991 there were 157. Each year after deregulation the number of truckers in Ontario going bankrupt increased. In Windsor, day after day, one reads of truckers going under.

I see behind me the former transport critic. He pointed out at the time of the debate, as so many others have pointed out, that the larger costs, the larger tax rates, the lower depreciation and all of those things, plus the habits on the American side of longer runs, longer days and bigger companies with lower marginal costs, without some help for trucking, would inevitably lead to its destruction if it is, at the same time, paired with the freedom of American truckers to come over and carry loads in Canada from one place to the other and not just between Canada and the United States.

The consequence of this government's deregulatory policy was essentially the destruction of the trucking industry in Windsor. The minister says: "The government has taken certain measures to help the trucking industry". What he should have said is: "The government took certain measures to relieve what is left of the trucking industry".

Windsor understands deregulation. We had the Ambassador Bridge blocked twice by angry truckers. We saw highway 401 outside of Toronto blocked by angry truckers. We saw right here on the Hill hundreds of truckers making their point known. It was only then that the government began to act to correct what could have been corrected, what could have been anticipated when it introduced its policy of deregulation.

With respect to railways—and I do not want to take too long with this—but we heard about VIA Rail having to take all of its cars on the Quebec–Windsor corridor off the tracks because of a mechanical difficulty. Mechanical difficulties seem to be showing up so frequently in all of those areas.

• (1220)

Even more important than the frequent discovery of mechanical difficulties on VIA Rail and the other railway carriers in our neighbourhood—and that is not by the way just Canadian carriers—what we see is an utter disregard for the mechanical problems that American inspected cars exhibit when they come into Canada which are unattended by the Canadian transport inspection system.

Deregulation is not just about safety considerations, it is about economic considerations. We have a situation now in Windsor where we have a railway tunnel that goes from Detroit to Windsor that both CN and CP use.

CN in the new deregulated environment is now proposing that the Windsor tunnel, which has the higher transportation load, that is, it has the most frequent crossings in Ontario, will now be virtually in disuse insofar as CN is concerned in favour of building a larger, more accommodating tunnel for the largest freight arrangements on the railway. The result will be the total displacement of the industrial focus of the Windsor–Detroit area to the Sarnia–Port Huron area. In spite of all that will entail there is nothing that government can do about it.

Deregulation is not just something that allows carriers to do things which are in their own financial interests if those financial interests disregard the interests of communities. It can kill communities. That is potentially what can happen in Windsor if CN is allowed to proceed with cold disregard for the interests of Windsor–Detroit in favour of moving its key transportation route across to the Sarnia area.

Finally, all you have to do is be in Windsor for a week, experiencing the cancellations, the delays and the failure to fly of so many aeroplanes because of mechanical difficulties. You begin to understand the impact of deregulation so abundantly cited in the report by Moshansky.

What we are saying is that this government knew when it introduced deregulation that there were a lot of things that had to be taken care of first. There were going to be more aeroplanes in the air, they needed more inspectors, there needed to be more intense safety inspection of both the crews and the aeroplanes, there needed to be more air traffic controllers.

To this day, we do not have enough air traffic controllers to take take care of the increased flights that are the result of deregulation.

The consequences to Windsor are all of those that have been predicted: cancellations and eliminations of flights and a significant economic impact on our city.

You do not have to pay attention to Windsorites who have been critical for five years of what this government has done. If you look at the Moshansky report you will see why: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 20 different reports that say that this government should have been anticipating what has now led to a crash in Dryden and can still lead to difficulties if this government does not get its head straight and make up its mind that it is going to take those recommendations seriously.

Deregulation was wrongly introduced in practical terms. Ideologically it was stupid.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I must say I enjoyed the contribution of my colleague and I want to follow up on his last comment about the 20 reports.

I want to read a quote to him which says: "Furthermore the committee believes that the necessary human and technical resources must at all times be made available to the Minister of Transport to ensure that he can carry out his responsibilities to maintain and improve upon the level of safety and security in the transportation sector".

This was not a committee of bureaucrats. This was not a committee of inspectors. This was not a union document. This was the report of the Standing Committee on Transport at the end of its review on *Freedom to Move* which was the white paper that started us on this process.

My question to my colleague is this: Is it shocking to find that Tory members of Parliament, who were the majority on that committee, who also were pointing out the dangers ahead of us by warning that the minister had to have the resources necessary, meaning inspectors, air traffic controllers and airport security guards, et cetera, knew what they were getting into?

Mr. McCurdy: Mr. Speaker, I appreciate the question of my hon colleague.

Of course, he is right. The basis of the findings of the committee report was common sense. There is a clear distinction to be made between common sense ideology and the actions of this government.

As I said, our present transportation critic and many intelligent, insightful people on the government side as well as within the Liberal Party were able to anticipate the obvious. The obvious was that if the major airlines were deregulated, they were going to concentrate on nodes. This meant that each smaller community would be bound to be served by smaller, less resourceful airlines that would cut corners.

Even in the absence of that, the very burden of increased flights really indicated the need for more regulatory resources. Many of those regulatory resources are supplied by Transport Canada.

At Pearson, there were two things that any idiot who did not know anything would have known. If there were more flights, there would have to be more and not fewer air traffic controllers, there would have to be additional runways and all of that sort of thing. There would need to be more inspectors. There would have to be a very careful regard for those new entries into the air industry.

None of that happened. It was not just the transportation committee. The Nielsen task force said the same thing. Everybody said the same thing because all anyone had to do was go and look at what happened under deregulation in the United States. Every problem that deregulation caused in Canada could have been anticipated on the basis of observations with respect to trucking certainly and with respect to air transportation.

In an ideological context we disagree with what the government did, but it has no excuse within the context of that ideology not to have done what its action required it to do: put in place the necessary measures to ensure the safety of Canadians. It did not do it, and of that it stands guilty. It stands guilty of so much in any case.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I welcome the opportunity to support my colleague from Thunder Bay who has put forward the motion:

> That this House condemns the government for its unwillingness to concede that the deregulation of the Canadian transport industry has been a failure and in fact has led to fewer carriers, fewer jobs, higher prices, reduced service and less safe operations in air, road and rail transportation.

I want to direct my remarks to the railway industry, but I want to also address the answer given by the member for Calgary South. In my riding which is very close to the Calgary South riding of the member, part of the highway from Field to Golden on the number one Trans-Canada Highway could be best described as a cow trail rather than a highway.

Where the federal government used to have control of transportation and the trucking transportation, they have allowed the provinces to reach agreements that are much less stringent. Highway tests were taken at Golden by the RCMP and many trucks had to be taken off the highway because they did not meet the standards. Large trucks carrying mobile homes or modular homes that are 30 and 40 feet in length used to have pilot trucks driving in front of them to ensure safety on the highway. Down through these heavily graded roads, through these sharp curves, they are now travelling without pilots.

• (1230)

I want to say to the member that it is not safe and there are going to be more and more bad accidents. Had this deregulation not taken place, I am almost certain we would never have had that serious accident in Vancouver in which an innocent family was sitting down at the waterfront in its car waiting for the ferry and that truck broke loose with hot tar and came down and smashed on top of those people. What kind of safety did those people have? That must come directly to the deregulation of the trucking industry and this government has to take full responsibility for that.

I want to refer most of my remarks to the railway industry because I was a railway car inspector for CP Rail for 19 years, from the early 40s into the 60s. In those days, out of the blue would come a government CTC man who would stop a train in the yard and inspect and not allow the cars to go from that terminal. Consequently they had to be switched out and nothing could be done.

Those kinds of safety precautions were important. We had car inspectors right across the country inspecting those trains. Every so often there was a spot check made and the safety was ensured and the government knew exactly what the conditions of those trains were.

Through deregulation that has all gone by the board now. Through deregulation the railway industry has been allowed to reduce the crews on those trains. It is hauling twice as much tonnage. The industry has been allowed to take the caboose off the trains. It has been allowed to put an electric marker on the tail end of the trains and made strong commitments toward it. Now it is reaching the point at which it is talking about putting reflectors on the ends of the trains. Can you imagine the safety of the trains with a reflector on the back and the curves on these railways and not being able to see that reflector until a headlight actually hits it?

There are signals and so on throughout the country showing where the occupancies are, but just the same, surely to goodness we have not reached a point at which we have a 100-car train standing on a piece of track in trouble, with a reflector on the tail end telling the next crew that the train is stopped. That is not safety.

I say to this House that we had better get back to regulating these kinds of things because if we do not, we are going to have some very serious accidents.

The industry also made commitments that car inspectors would be maintained at these points. It said that Cranbrook in my riding would be designated as a car inspection point. Last year, the railway cut back on the car inspections at that point. There are cars coming in from the United States on interchange. They are coming into our yards, not to the first terminal, the first point where it used to be when they entered Canada for an inspection, but coming on into the city of Cranbrook, into its yard where it has now a reduced car inspection group and it does not even know how safe those cars are.

I have reports showing that there has been leakage of chemicals in that yard. The response team that is supposed to be set up by the deregulation is not carrying out the provisions of what the regulations even call for. That response team, if it is going to be a response team to deal with the tragedy, must meet on a regular basis with the firefighters in those communities, with the ambulances in those communities and with the railway companies. If it does not do that on a regular basis, then it is not worth the paper it is written on.

That is the kind of thing that has taken place because of deregulation. I do not blame my union friends on the railway for negotiating because when they are negotiating to reduce a crew or reduce a system, the company offers them large buy-outs, large settlements.

It is not unfamiliar and not unethical for that trade union to want to support its members and try to get the best deal it can. It realizes that it is not going to be protected by governments. Safety regulations are not going to be protected by governments. If it is going to happen anyhow, it might as well get the best settlements it can. Naturally it negotiates for buy-outs and those kinds of things. That is not running a safe, efficient railway and that is causing the kinds of problems that we are having right across Canada.

The riding that I represent, Kootenay East, has probably one of the highest grades. The trains carry 10,000 to 14,000 tonnes a piece. They come down those grades and the hill from a glacier. After, they come through the Connaught Tunnel or the new MacDonald Tunnel and into Revelstoke. It is all heavy grades, heavy tonnage. There are no cabooses on the back ends. All of the crews are in the head ends of the trains when they hit Revelstoke. There are one or two car inspectors. There used to be as many as 25 or 30.

That is not safety. The air brakes used to be cleaned every four years. The air brakes used to have to be tagged, back ordered and sent to the repair track and new ones put on. Now it is unlimited. They travel across this country with the dust from the coal, the dust from the road bed going into those air brakes that are required to be clean and efficient at all times, carrying hundreds and thousands of tonnes. We have reached the point at which there is not even a mandatory cleaning date.

It used to be four years. Four years is a long time. It used to be four years and it had to be updated. It used to be 90 days for a test. The brakes would have to be tested to make sure the air did not leak and that the brakes were working properly. None of that is in existence any more.

That is what deregulation has done to the railway system. It is not safe and we are going to have more and more serious railway accidents across the country.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, I would like to congratulate the member for a fine speech and an analysis of the situation. There are probably very few people in the House who have the expertise he has. He was an on-line worker with the railroad. I grant you that the member for Regina-Lumsden was as well, but it was a different kind of line, the telegraph line.

The point is that over the years there has been a body of regulation built up which this government is in the process of destroying.

I would like to ask the member why on earth were these regulations put in place in the first place?

Mr. Parker: I would like to thank the member for the question. He goes back exactly to the situation. We have a transcontinental railway system going east and west. Many railway cars would come in and tie on to us through the prairies and so on, coming in from the United States. Many of the grain shipments and car branch lines would be coming in. Therefore, the government of the day decided it could not allow a railway system to travel across Canada tagging on all of these cars that are coming in from other areas and so on without an efficient inspection.

The government could not trust the companies to do it, and rightfully so. After all, they are in it for profit.

• (1240)

There was a very efficient and a very wonderful Canadian railway transport inspection group. It was respected by all railway employees. When it came to town, the engineer set the brake and he would not move that train. When that guy came to town, he had the authority to stop that train. Nobody was to touch it. He would walk down that train and there was no funny business. At the end of the day, it was all marked by CTC and it stated that this car was in order. It took as many as 33 per cent of the cars off of those trains for defective hand-brakes, defective grab irons. It would make them go to the repair track. They were all marked and recorded. With that kind of an inspection by the government, it found the defaults even with all that system in place. Imagine what is going on out there today with the railway system.

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I just want to ask my hon. friend whether it is true about the reduction of railway car inspectors both by the railroads and the CTC.

Mr. Parker: Mr. Speaker, I will be very brief. Yes it is true and the unfortunate part of it is that in the days of these government inspectors, they were highly qualified people.

The car inspector had to serve an apprenticeship of four years in order to be qualified to do that inspection. Now we have lost that because there are fewer and fewer inspectors. There are fewer apprenticeships taking place and the railway industry is going to be in one serious situation if this government does not change its views with regard to deregulation.

Mr. Sergio Marchi (York West): Mr. Speaker, I am pleased to participate in the opposition day motion today which essentially tells the obvious tale.

The obvious tale in terms of the government's transportation policy is exactly that deregulation has been a failure. It has not worked and is basically paramount and equated with a government that does not have any answers or any policy program or framework with which to guide, nurture and shape not only the transportation infrastructure, but a very integral part of Canada's economic livelihood. Another aspect of the unity debate in the last couple of months and in the future months is the structure and the transportation role that the government has played in keeping Canadians linked with one another and keeping this large country from east, west and north united.

The government started talking about deregulation in 1985. Finally a few years later, through legislation, it realized that unfortunate nightmare. It preferred to allow the marketplace to dictate. It preferred to take a hands off attitude and allow the transportation policy and network go its own natural course. When we talk today on the floor of the House of Commons about its failure, we can define that failure according to a number of different factors.

The first one is that this government promised my former colleague in the transport critic portfolio, the member for Humber—St. Barbe—Baie Verte, and other members of the caucus that deregulation would lead to great competition, increased competition in the marketplace. It would see the start of regional airlines right across this nation. What happened under deregulation? The reality now is that we are into a duopoly that may soon find itself a monopoly by one airline alone.

We have gone from regional carriers that existed before this government came in to a situation that is largely dominated by almost 95 per cent of all air movement.

I am going to concentrate on the air industry because my friend talked about the rail industry. We have gone from an industry that was beginning to become more versatile to an industry that is dominated and controlled 95 per cent by Air Canada and Canadian Airlines.

I have nothing against Air Canada and Canadian, but one of the commitments by this government was to further diversify the industry and give opportunities to the smaller regional air carriers to flourish and it has not. Exactly the reverse has taken place.

City Express used to operate in my area of Toronto and shuttle to different parts of Canada and the United States. City Express, started by Vic Papalardo, is no longer there. One of the reasons he is not there, not the only reason but one of the contributing reasons is that Air Canada squeezed him out of the market. Air Ontario, through economies of scale offered reductions that unfortunately City Express was not able to match over the long-term. So he kept extending himself and extending himself. Then the world collapsed around him. As City Express goes, so do other regional air carriers.

On the measuring yardstick of further competition, the failure is quite clear and obvious.

The government also talked about further competition creating more jobs. Well, with regional carriers going out of business and with Nationair, Air Canada and Canadian, we have had over 5,000 Canadians lose their jobs in the last 16 to 18 months just in the airline industry alone.

Where is the infusion of jobs because of this ideology to free enterprise, no government regulation apparatus, the opportunity to try to guide and make the marketplace fair?

The government also talked on this third promise that it was going to bring greater quality of service to the regions of the country. I question that because it can talk about the odd extra flight into one community or another.

But we should also list a number of the communities in northern Ontario, for example, Sudbury and Sault Ste. Marie. Look at Atlantic Canada after the government gutted VIA Rail, after it cannot build proper highways with federal support. It also began to take jet service out of Atlantic Canada, northern Ontario and parts of the west.

Canadians are beginning to ask themselves what standard is at play here. If you happen to live in Vancouver or Montreal, or Toronto where we have the flagship airport into the major Canadian markets, there is frequency of service and quality of service in terms of jets. If you happen to live in Sudbury or Sault Ste. Marie, all of a sudden Air Canada pulls out its jets. If you want to go into Deer Lake you have to go by prop. Why?

We are discussing the very tender and fragile nature of national unity. Transportation tears at that fragile quilt because Canadians are seeing different treatment depending on where one lives in this country. Add cost recovery services on top of that. Atlantic Canadian airports are paying more proportionally than users are at Pearson airport which happens to be the flagship airport of our country.

Those Canadians living in those regions are asking themselves: Where is the Messiah that was supposed to be deregulation in terms of quality of service? On that note again it gets a failing grade.

We then enter open skies. Can you imagine if we get into cabotage and open skies? American carriers will be allowed to come into Canada. Do you think for one moment that American mega air carriers are going to give a darn about Deer Lake, about Moose Jaw, about Sault Ste. Marie, Sarnia or Sudbury? They are interested in the major hubs of the Canadian air market. That is where their bottom line is.

• (1250)

If the situation is bad now, what is it going to be like if this government does not draw its line in the sand, does not articulate the bottom line in a free trade arrangement in the skies?

We have already seen their bottom line with the free trade agreement. Never mind correcting that. Now they want to get into an agreement with the Mexicans and the Americans on North American free trade.

Where are we going to be in terms of quality of service if we allow American carriers the option of going wherever they wish in this country? We know what is going to happen. It is going to gravitate in the worst shape around those mega major hubs and again further exacerbate the gulf that Canadians are feeling economically now, depending on where one lives in this country.

Lastly, on this side of the House there have been quotes and quotes of my successive transport critics who have obtained assurances and guarantees from the Deputy Prime Minister down to the litany of hall of famers who have been transport ministers. They have a rotating door over there for the transport ministers. Each of them swore that safety was not only going to be protected but also enhanced.

Yet, what is the reality of the safety variable? Despite the government's deregulation talk in 1985, the industry started planning deregulation before it even happened. Rather than predicting greater volumes of traffic, greater air movements, greater passenger volumes and rather than plan safety mechanisms for that increased travel, we have had a reduction.

There are fewer air traffic controllers today than there were before deregulation started. There were 1,800 air traffic controllers in Canada prior to deregulation. We are now at 1,400.

In 1985 when the government started talking deregulation, it froze the number of air traffic controllers that were able to come out of the school in Cornwall. Rather than plan in anticipation of greater need, it froze the number. Why? Because it has this thing called ideology and it cannot move beyond that ideological framework.

Now the Minister of Transport is forced to scramble to push through more controllers in Cornwall. Justice Moshansky suggested in his report that we were short 400 to at least have basic minimum standards.

Do you know how many commercial aircraft inspectors we have today? We have 31 commercial aircraft inspectors. In 1988 there was a leaked confidential departmental memo that said for the period leading to 1988 at least 41 commercial aircraft inspectors were needed.

Now we are at 1992 and we are still 10 below the threshold that was established in 1988. And this government has the audacity and the temerity, which is a favourite word of the Prime Minister, to say that it kept pace with its safety regulation and safety apparatus.

In terms of open skies, if we are going to have greater American involvement in our skies I think it is quite well known that our safety apparatus is much safer than that of the Americans. What implications does that have for transporting Canadians? Are we harmonizing—another favourite word of the Prime Minister—positively their system to ours on a safety basis and not the reverse? I do not hear too much discussion by the minister on that when we talk about airline deregulation or an open skies arrangement between the two countries.

Justice Moshansky said it very brutally, clearly and frankly. I am paraphrasing, but he essentially said that the combination of a deregulated regime in the air and fiscal restraint has undermined the safety variable in the delicate equation that is air travel. That is essentially what he said, that fiscal policy and deregulation, the combination thereof, as our critic said was a collision in mid-air. And the victim was safety.

Now, we do not want to be alarmists. We do not want to scare passengers. I still believe that the infrastructure has survived this government to the degree that there is a basic foundation.

The premise of our arguments is that if there is going to be deregulation, if volume is going to be increased, if fleets are going to be making more movements—and they are aging fleets—then it is logical that the safety net of the deregulation must keep up with the times. But it is being reduced because of that fiscal ideology.

It is the same thing in the city of Toronto. The Minister of National Defence said: "On the basis of fiscal restraint, we need to consolidate the military depots from Moncton and Downsview and Montreal". Fair enough. So the government commissioned a study in 1990 to obtain the recommendation of which place should have the consolidation.

The report in 1990 by the productivity group gave four recommendations. The first recommendation on the most cost-effective consolidation was Kingston. It was suggested that based on defence criteria and cost, Kingston, along the Toronto-Montreal access, was the logical place to consolidate. The last, least suitable, least economically viable location in the entire Toronto-Kingston-Montreal access was Montreal. Where did the minister consolidate? In Montreal.

I do not want to pit region against region, or city against city. And I do not want to bring Toronto up at the economic cost or price of Montreal, because the shape of the economy in Montreal is equal or worse than it is in Toronto.

At the same time, I do not believe that those 300 Canadians in Toronto should be treated in this fashion. Three hundred job losses in Toronto, very definite, very concrete, very real. I have met with workers already and I have met with the union. I have received their letters, and they cannot understand the rationale of the government moving in this way.

As a Toronto member of Parliament, I would like a few answers from the government, if in fact fiscal restraint is one of its more important ideological compasses that guides its government activities. Because even if it was to be Kingston, then at least it would be seen to be fair. Canadians in Montreal or Canadians in Toronto would then be allowed to perhaps minimize the pain of moving their families and relocating to a new community.

I could sell that in Toronto. I am sure my friends in Quebec could also sell that to Montrealers. But what I cannot sell in Toronto is when people are puzzled legitimately about the rationale of this decision.

People clearly conclude that it has nothing to do with consolidation, nothing to do with financial savings. It has everything to do with the political mind set of this Minister of National Defence who fuels long enough in Canada to give us these crazy decisions, then jets off and we have to clean up the mess.

• (1300)

The other negative aspect of that is that the minister who hails from Quebec, a fellow Canadian from Quebec who is engaged in this national unity debate, by that very decision triggers anti-Montreal, anti-Quebec sentiments. Workers said things about our fellow Canadians that ought not to be said of. The minister has to learn that when he makes a decision that becomes nearly indefensible, he is contributing to the forces that he himself, and fellow Canadians in Quebec are trying to address, together with all Canadians.

What we have is an economic military decision that finds itself in the international unity mix. That is very, very dangerous. With respect to the case of the military depot, I wrote to the minister yesterday and asked that he and his officials reconsider. I am not even asking them to keep the Downsview base in Toronto at present levels.

If that is his decision, I will applaud that decision. If he at least can tell Canadians it is the most effective and cost-efficient and in the best interests of our national security, if those three variables happen to be found in Kingston, then this member of Parliament will defend the Kingston alternative. Otherwise this member of Parliament will be hard pressed to explain and give a rationale to workers who will be coming to my office tomorrow and Saturday, and saying: "Okay, there is a net loss of 300 jobs. Now what do I do?"

We know what the recession has done. We know what the free trade agreement has done to Toronto. We know that there was not any job stimulus. At least allow this government to maintain a current level of employment without a government action that says: "You will be the net losers of 300 without any replacement".

How am I supposed to keep 300 families believing in Canada under that perspective? It is the same thing when we talk about safety. It wants to deregulate, it is the government. It wants to increase the number of flights, it is the government. But it also has the responsibility to provide a safety apparatus that keeps up with the pace of deregulation and that does not fall behind and becomes victim to an ideological government that simply is looking not to the future but to the past.

Mr. Ross Reid (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I know my colleague will comment on the last part of the member's comments. I have some sympathy for what my friend across the way has said about air travel. As you know, a number of us spend a lot of time on aeroplanes. I am getting frustrated.

In the old days when you flew out of St. John's you would have to phone to find out if the plane was going or not. In the last six years flying in and out of St. John's, I have only been taken out of that airport once by weather. Now, you just go.

When you arrive at St. John's at six o'clock in the morning, you cannot tell if the planes are going or not because there are so many bloody aircraft flying. You do not know what is going on. There are two Canadian Pacific 737s sitting there every single morning. There are two Air Canada jets. There is a 727 and now they are bringing in the Airbus, plus all the DASH-8s that are lined up along the tarmac. I agree with him. You do not know what is going on, there are so many aeroplanes flying.

Here we are, 560,000 people down there. That is the size of North York. We are sitting there. What do we have? Out of St. John's every day, there are 13 flights to Halifax. Ten of those are direct. Out of St. John's every day, there are nine flights to Gander. Out of St. John's every single day during the week, there are eight flights to Deer Lake.

This is unheard of and unprecedented. The situation in Deer Lake is quite serious. There are seven flights a day from Deer Lake to Halifax and six of those are direct. The situation is serious in Deer Lake. Deregulation has allowed so much increase in aircraft that it has blown the government expenditure. We had to build a brand new airport in Deer Lake, Tobin Memorial Airport. There it is, all walls and no roof. The head is right off it.

This is what deregulation has done. With all the 737s and the 727s and the Airbuses and the 146 flying around, including jet service from Stephenville to Halifax and Montreal, how can my friend across the way from Toronto explain this in light of deregulation when we have an unprecedented amount of aircraft, flights and seats and deregulation has supposedly closed us down?

Mr. Marchi: Mr. Speaker, I am glad my hon. friend along the way got up because he was not listening to the words I was trying to convey to the House and to Canadians.

I did not define Ontario as being only Toronto and he should not define Newfoundland as only revolving around St. John's. We can ask him about Goose Bay. What about Deer Lake? What about Gander? What about Stephenville? Newfoundland is bigger than St. John's, as Ontario is bigger than Toronto. That is why I tried to articulate, as a Toronto member, the needs of fellow Canadians in Sudbury, in Sault Ste. Marie, in Hamilton and elsewhere across the country.

It was also interesting that the member did not touch upon the whole financial, ideological bent of this government as I defined through the military depot. Perhaps one of the reasons was that between the gentleman's riding and the riding of the minister of fisheries from St. John's West, they essentially have 82 per cent of the small craft budget when both those ridings have the smallest percentages of the fisheries industry. Maybe that is why the member did not touch upon why the military depot, when it was recommended to go to Kingston for financial and other variables went to Montreal. That is exactly the malaise that this government has gripped itself with and it is a malaise that, unlike the government polling or strategist, a malaise that is very well understood and recognized by Canadians who will do something about that very quickly.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I will make it short so hopefully my other colleague can get in. Just on the same line, I want to ask my colleague from York North whether he recognizes that a lot of those flights referred to by the member from across the way are two airlines leaving at the same time going to the same destination. We certainly see in Ontario where Air Canada flies at nine o'clock and Canadian flies at 9.05 from Toronto to Ottawa or to Thunder Bay or Montreal or wherever. There is a lot of duplication, unnecessary duplication, and I suspect it is the same thing in Atlantic Canada. I have been at those airports where there are a lot of planes on the ground first thing in the morning, but by nine o'clock they are all gone. You do not see them again until four o'clock because everybody is sort of stacked up.

I wonder if the member could respond to that analysis.

Mr. Marchi: Mr. Speaker, the member, and I thank him, alluded to a fact that I failed to mention. Another promise of deregulation was that it was going to benefit the consumer in terms of the ticket price. This Deputy Prime Minister was the first to lead off by saying Canadian consumers, the travelling Canadian public, will experience reductions in air fare. With the only exception of advance booking months before, the average cost of a seat on any aircraft has not only increased, but increased at a greater pace than the cost of inflation.

That is another failure point. The member speaks generically to something that I would favour as an individual member on this side. We do have two very competent transport critics who are articulating the transport view on behalf of the leader and the Liberal Party of Canada. We need some form of government role, not to create greater bureaucracies, but to fill a very important vacuum that has been created by deregulation.

• (1310)

I believe that Canadians and the nature of our country require some form of re-regulation because re-regulation, or a form thereof, is one answer to the whole plight facing both Air Canada and Canadian.

If the aircraft industry in this country and the government can sit down I know that we can find a way in which both those airlines can live well and can compete well. We need a form of reregulation that, whether domestically or internationally, begins to address the situation logically and carves out that air space, rather than allowing this vacuum to make Air Canada and Canadian go at each other with the ultimate situation being the vulnerability of both airlines to the detriment of the interests of the Canadian travelling public and the Canadian economy in general.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I am pleased to take part in this debate on an opposition motion.

This Tuesday, the federal Minister of Transport made public the final report of the Commission of Inquiry into the Air Ontario Crash at Dryden. This inquiry dealt first and foremost with a human tragedy. I fully sympathize with the survivors and the families of the victims of this crash.

At the same time, Mr. Corbeil reassured all Canadians that Canada's air transport system is safe. According to the Canadian Transportation Safety Board, the statistics on aircraft registered in Canada clearly show that in the last decade there was a marked improvement in aviation safety in Canada. In fact, from 1981 to 1991, the accident rate for aircraft registered in Canada dropped by 35 per cent. The minister added: "I promise to see this improvement continue".

During the whole three-year period of this investigation, seventeen recommendations were made, but while the inquiry was going on, the department implemented some other measures to improve aviation safety.

I speak today as the member of the House of Commons who represents the largest riding of all 10 provinces, not counting the two northern territories. The riding covers over half a million square kilometres and has more than 20 airports, some belonging to the Inuit sector, some to the Cree sector and commercial and other airports belonging to the Government of Canada.

Concerning the March 10 accident in Ontario, I have a newspaper article here from December 28, 1989 by Sylvain Blanchard. We can rely on it, because journalists provide us with excellent reports. The headline is: "Air deregulation in Canada: very few bargains, but improved service". The article says: "The changes were much less painful than in the United States. In 1985, when the deregulation of air transport began in Canada, the carriers acted like a group of savages at a feast. Some, like Wardair, that shouted on the rooftops that they would take over one third of the market, had indigestion".

The image is striking, but Robert Obadia, founding president of Nationair, paints a positive picture of air transport deregulation in this country. He thinks that Canada's experience was much less painful than the experience our southern neighbours had, where air transport has been deregulated since 1978. "Deregulation in Canada had hardly any impact on ticket prices," he hastened to add. "They continue to rise at the rate of inflation and the bargains one finds here and there are largely explained by efficient seat management. However, deregulation has considerably improved service in small communities."

Speaking of small communities, let us consider northern Abitibi and Air Creebec. At hearings on air service in remote and northern regions, Chief Billy Diamond, the founding president, was asking whether it was adequate. He said: "The Crees founded Air Creebec to provide air transportation along the coast of Hudson Bay and James Bay and inland. The company, which is run by aboriginal people, provides a reliable and efficient service which is constantly expanding".

And I could go on. Air Creebec strongly supports Transport Canada's new air transportation policy. As for the smaller communities in the north, in the Inuit settlements, Air Inuit, which carries quite a few passengers, says that the local landing strips were in very bad shape for many years. After considerable pressure, the federal and provincial governments have agreed to fund construction operations that should bring all airstrips up to standard by 1990.

My point is that both governments, the province of Quebec and the federal government, have invested more than $100 million under the James Bay Agreement—

Mr. Speaker, I see you are signalling that my time is up. I will finish my speech after Oral Question Period.

The Acting Speaker (Mr. DeBlois): Of course. Provided you are in the House, the Chair will be glad to allow you the remainder of your speaking time.

It being 1.15 p.m., I do now leave the Chair until two o'clock this afternoon, pursuant to Standing Order 24(2).

At 1.15 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NATIONAL HOCKEY LEAGUE

Ms. Catherine Callbeck (Malpeque): Every year Canadians across this country look forward to the month of April as their favourite hockey teams take to the ice to do battle in the National Hockey League playoffs.

To many Canadians, hockey is more than just a game. It is part of our culture, part of our identity and a source of pride to us all. Hockey is indeed our national sport.

Hockey is also a business. Last night the business aspect of the game took precedence over the interest of hockey fans. As the players and owners failed in negotiating an agreement, a strike has now interrupted the hockey season.

While the players may lose pay and the owners may lose revenue, the big losers will be the loyal legions of Canadian hockey fans who year in and year out look forward to watching the Stanley Cup playoffs.

Players and owners owe it to all Canadians to make every possible effort to reach an agreement and get back out on the ice.

* * *

MOHAWK RACEWAY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, tragedy struck my riding last night. Barn No. 3 at Mohawk Raceway was destroyed by fire.

Dead this morning are 79 of Canada's finest racing horses, still lying in their stalls. Only 11 standardbreds were saved and that was due to the efforts of one heroic, and as yet unnamed trainer, who tried to battle the blaze himself before being defeated by it.

Among the lost lives is Scooter's Boy, a three year old colt which many believe had the potential to become a Canadian champion.

I want to express my dismay and sympathy for all those who raised, trained and loved these creatures. The loss is enormous to this industry, which is the largest in my riding. Of course, it is not just an economic loss. Destroyed were 79 athletes, animals of beauty and courage, which will be missed by all who knew them and cheered them on.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, a delegation of five New Democrat MPs has just returned from Washington, D.C. where we met with key players in the Canada–U.S. softwood lumber dispute.

In our discussions, it became alarmingly clear that the political agenda behind the U.S. actions is really all about free trade in raw logs. The Americans want access to Canada's timber resources and are using the countervail to beat us into submission.

The U.S. lumber lobby claims that if Canada would only lift its ban on raw log export, the U.S. countervail would dissolve. Representatives for U.S. Senators Packwood and Baucus stated flatly that access to Canada's raw log market is "the prize". They see Canadian timber as a resource to be exploited.

This is an issue of sovereignty. As Canadians, control of our resources is vital to the control of our economy. Canada's provincial and federal governments must stand resolute and say "no" to this invasive U.S. action.

* * *

GYPSY MOTH

Mr. Stan Wilbee (Delta): Mr. Speaker, the potential plague facing our western agriculture, forestry and shipping industries is of grave concern to all of us. The Asian gypsy moth must not be allowed to spread. To ensure that it does not, quick and decisive action must be taken.

Agriculture Canada will spray next week to eliminate the threat. The agent that will be used in the spraying is Foray 48B which contains a bacteria that is eaten by the gypsy caterpillar, which kills it before it can take on its destructive moth form.

This is a naturally occurring bacteria that is not harmful to humans. The parties that have been involved in developing the Asian gypsy moth eradication program and verifying its safety include Agriculture Canada, B.C. Plant Protection Advisory Council, Forestry Canada, B.C. Ministry of Forestry, the Ministry of Health, federal Department of National Health and Welfare, and the Chief Medical Officer for Vancouver.

This agent has been used numerous times before in British Columbia as well as in the U.S. without ill effects. There is no evidence to suggest that this case will be any different. Some have attempted to suggest that this spraying will be a hazard to the people and the environment of Vancouver. However, this is not true and should be considered inexcusable fearmongering.

* * *

[*Translation*]

EMPLOYMENT

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, if the government is planning to pursue its urban renewal program in Winnipeg's older neighbourhoods, which would also create the jobs Manitoba so badly needs, I would suggest that before announcing its plans, the government first provide guarantees that local people, including the business community, and also those in St. Boniface and St-Vital, will be involved in the project.

[*English*]

I would also ask the government whether or not it has any other plan for cities such as Winnipeg and many others in Canada, to try to create employment for those Canadians who want to work.

* * *

[*Translation*]

VIMY RIDGE

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, the Department of Veterans Affairs is to be commended for the ad that was produced to mark the 75th anniversary of the battle of Vimy Ridge.

Veterans in my riding have often complained about the way Canadian history is taught in our schools. They say young people know more about American victories than our own.

That is why it is good to see the story of one of the greatest victories in our history. Seventy-five years ago this week, the Canadian Corps achieved what other armies before it had failed to do and showed the whole world what a young country like Canada was able to accomplish.

Mr. Speaker, I am delighted to hear that Canadians will also have a chance to learn more about the Dieppe raid. Fifty years ago this year, Canadians were chosen to test the defences of Hitler's continental fortress, and like the Canadian Corps at Vimy, our forces responded with a great deal of courage and discipline. These campaigns taught us a lasting lesson. As it says in the ad about the victory at Vimy, courage and solidarity triumphed.

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[*English*]

GALLUP POLLS

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, Gallup is giving pollsters a bad name as a result of political bias and really stupid questions.

Take today's question: "Should a social charter be placed in the Constitution to ensure national standards for social programs, or should each provincial government decide how to implement social programs in a province?"

What is a social charter intended to do? It is intended to produce the national standards for social programs, which, in general, will be implemented by a provincial government within a province, like medicare and social assistance.

I know what tomorrow's Gallup question will be. "Should one clean one's teeth with a toothbrush or with toothpaste?" Anticipated response: "Eighty per cent of Canadians agree that Gallup should be cleaned up; 20 per cent think Gallup is a horse". That is judging strictly on scientific merit.

VIMY RIDGE

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, as you know, Canadians everywhere next week will pay tribute to the memory of those in the Canadian Corps who 75 years ago achieved what so many before them had failed to do in the successful assault on Vimy Ridge.

This victory at Vimy Ridge marks, in the opinion of many historians, the real birth of Canada as a nation, whose lingering colonial status was finally put behind it. This most famous victory was a tribute both to the bravery and the intelligence of those who participated. Canadian officers, most of whom were citizen soldiers, had no stubborn attachment to the military tactics of previous battles. In fact, their willingness to be innovative and to adopt new tactics was a key to their success. Moreover, every member of the Canadian Corps was given a role and an explanation. Each in reality was a vital part of the process.

We know what Vimy meant to Canadians 75 years ago. It also could mean much to our future if we follow the lead of that pioneering generation who, in looking up at Vimy Ridge, refused to be overwhelmed by the obstacles which faced them. They chose instead to see an opportunity to be realized.

Mr. Speaker, may we have the self-discipline required to follow in their footsteps.

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RESEARCH AND DEVELOPMENT

Ms. Mary Clancy (Halifax): Mr. Speaker, ACOA has recently published *The State of Small Business and Entrepreneurship in Atlantic Canada, 1991*. It revealed that R and D spending in Atlantic Canada is 35 per cent below over-all Canadian spending, 78 per cent below Ontario and 30 per cent below Quebec.

• (1410)

To close this gap a significant increase is required. The best incentive would be the situation where an entrepreneur could commit his or her own funds first, which would then yield a tax benefit.

The most effective method to encourage R and D expenditure is the ITC tax credit which is fully refunded to CCPC. Presently the Atlantic Canadian rate is set at 35 per cent. This rate should be increased to 60 per cent. This would be a welcome boost for initiative and creativity in the Atlantic region. This sort of program would be an indication that this government supports regional development as well as competitiveness in the 1990s.

* * *

SUSTAINABLE DEVELOPMENT

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, it is important to recognize the need to establish a balance between economic development and environmental protection. The concept of sustainable development is being accepted in Canada and around the world as a means to achieve that vital balance.

Under the umbrella of the United Nations, the world community will soon join together in Brazil to consider the nature of the critical relationship between environment and development. A way must be found to ensure that new and effective environmental technology is available, not only to industrialized nations but also to developing countries. What is required in each country is a national environmental plan to define sustainable development objectives and describe appropriate processes.

The Canadian government has demonstrated leadership in this regard with the emergence of our own green plan. Our Prime Minister has demonstrated his commitment and leadership by confirming his attendance at the earth summit in June. We all know that we must balance development with environmental protection. Let us all work together to ensure a safer environment and a better world for our children.

* * *

BREAST IMPLANTS

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, for several years I have been questioning the Minister of National Health and Welfare about breast implants and have asked the minister when he will provide answers to women who have had implants and who need help. The minister has consistently refused to help and has repeatedly implied that women with problems with their implants are isolated cases. Yesterday I received four calls about breast implants.

The first was from a reporter who said that she had been unable to find one woman who is satisfied with her implant.

The second was from a woman looking for a doctor who had some experience in removing implants because she does not want to be experimented on again.

The third was from a woman who was looking for a lawyer who knows something about the issue.

The fourth was a woman who had her implants removed and was not advised to send them directly from the hospital to a lab or a lawyer, thereby jeopardizing possible future lawsuits.

It is time for the minister to provide help for women with breast implants, instead of siding with the manufacturers through his continued silence.

* * *

OLD AGE SECURITY

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, seniors across Canada were thrilled in the last few days to learn that the Government of Canada, in a most unusual fit of generosity, has granted them an awesome 37 cents a month increase in their pensions. These seniors are overwhelmed at this new-found government largess.

With those additional riches, a thrifty senior citizen can afford an extra one third loaf of bread or even a quarter of a litre of milk. With careful shopping, a prudent senior citizen might even be able to use the 37 cents to buy a can of beans.

If, on the other hand, their basic needs permit, this increase will mean a significant improvement in a senior's quality of life. A senior who saves the additional 37 cents every month will be able to go to a movie once every 18 months.

It will be hard for seniors to forget the government's generosity when the next election rolls around.

* * *

[*Translation*]

VOYAGEURS CANADA 92

Mr. Vincent Della Noce (Laval-Est): Mr. Speaker, my colleague, the Secretary of State, accompanied by Claude Taylor, chairman of the board of Air Canada, representatives of the private sector, volunteers and fellow members of Parliament, this morning officially launched Voyageurs Canada 92, a unique experience in the history of our country, in this 125th anniversary year. Voyageurs Canada 92 is thus in place, ready for the largest exchange program for young Canadians across the country.

I am very pleased that my constituency of Laval-Est is twinned with Edmonton North. This program will give nearly 37,000 young Canadians between the ages of 16 and 21 an opportunity to discover their country, its different regions and its people. Voyageurs Canada 92 is an investment in our collective future. I say to all those young people: Travel throughout our beautiful country, because you are its future. Have a good trip!

* * *

[*English*]

VOYAGEURS CANADA 92

Mrs. Dorothy Dobbie (Winnipeg South): Mr. Speaker, this spring and fall some 37,000 young Canadians will celebrate Canada's 125th birthday by getting to know their country better through first-hand experience courtesy of Air Canada and the Secretary of State.

The 295 members of this House will twin with each other and will exchange young people from one part of Canada to another.

The program is called Voyageurs Canada 92. It will be the largest exchange program ever conducted for such a time period. Interested young people 16 to 21 years of age should contact their local MP.

And more good news on the national unity front. Today the Council for Canadian Unity released a survey done by Environics Research which revealed that 71 per cent of Canadians, including Quebecers, support the Beaudoin-Dobbie report.

Congratulations committee and Canadian youth.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, once again, I would like to ask the Right Hon. Prime Minister a question.

Canadians wonder if this government will eventually stop confusing the issue. Yesterday, the Prime Minister said in this House that we would probably need a referendum, and the Minister Responsible for Constitutional Affairs supported that view. However, right after Question Period, the Minister of Justice said that there cannot be a national referendum, only provincial referenda. Then, a few moments later, the Minister of State for Employment and Immigration stated that there should not be a referendum in Quebec with federal involvement, or something like that. And it goes on.

As I was saying yesterday, the Prime Minister spends money to tell Quebecers that the Beaudoin–Dobbie report is very good. But when the minister of defence returns from Paris, he will make a stop in Ottawa to tell us once again that the report is not good.

My question to the Prime Minister is: When will we have a prime minister who will take his responsibilities and tell Canadians that this confusion has lasted long enough and that the time has come to let all Canadians express themselves in a national referendum?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not understand my friend's partisan flights of oratory. I do not understand them at all.

He asked me that question yesterday and I gave him an unequivocal answer on behalf of the government. It was the same the previous day. I do my best to provide him with complete and honest answers on an important issue. A few days ago, the hon. member seemed satisfied with my reply. If he has a problem with that, I will be pleased to help him.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I listened to the Prime Minister carefully yesterday. We have said on this side of the House that we want to help the government resolve the problem. Will he tell his ministers to shut up if they do not know what the policy of the government is?

I was on a radio program this morning in Calgary and people were telling me: "When will they stop talking about the Constitution? We are fed up. We have economic problems in Canada".

The Minister of Justice talking about the Constitution says something contrary to the Prime Minister; the Minister of State for Employment and Immigration says the same thing.

When will we have a Prime Minister who will speak on behalf of his cabinet and tell his plan to the people of Canada so we can resolve the constitutional problems? When can we face the real problems that Canadians want us to resolve, to create jobs for the 1.5 million Canadians who want the economy to work?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of Her Majesty's Loyal Opposition asks me a very strange question on the floor of the House of Commons: Will I tell the ministers of the Crown to shut up? The answer is absolutely not. This is a free Parliament, a democratic Parliament and that is why we are here.

If my hon. friend is suggesting that there has been a violation of government policy, then perhaps he could bring that to my attention.

I can tell my hon. friend that in the past, ministers in other governments perhaps ought to have spoken up, ought not to have accepted the party line on a very important matter, some 11 to 12 years ago. Perhaps we would not be in some of the difficulties we are today if others had stood up and said: "This is not good enough. We will not put up with this. Canada must be made whole from the very beginning".

• (1420)

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the Prime Minister after seven years in government will know that a government is a government. The government should speak with one voice. When somebody in the cabinet does not accept the word of the Prime Minister, the honourable thing to do is just to get out of the cabinet and speak outside the cabinet.

I would like to know when this Prime Minister will end this confusion and ask his government to have one constitutional policy so that we can resolve this problem that is bleeding Canadians? They want us to resolve the problem. The hesitation and ambivalence of this government is creating a *désespoir* among Canadians.

The Prime Minister has nothing to lose. He just has to do his job and the people of Canada will be happy.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I still do not understand why the Leader of the Opposition feels that on something this important he has to surround whatever criticism he may have with such needlessly partisan observations.

Some hon. members: No.

Mr. Mulroney: Yes, on a question like this.

Mr. Chrétien: I want you to be the Prime Minister.

Mr. Mulroney: Oh, I see.

I will say that when this matter came up the last time, I came before the House in 1987, having negotiated a constitutional accord which I believed was in the best interests of Canada. I brought it before the House of Commons and we initiated a debate. It was supported very widely by almost all members of the House of Commons. When it was not fulfilled, pursuant to the obligations of the Constitution in 1982, I came back and negotiated it again.

My hon. friend may have had disagreements with it, but I took the risks on behalf of Canada. I believed that Canadian unity was so important that we tried to achieve that degree of unanimity and unity. I brought it back again for full debate and support by members of the House of Commons.

It was approved by eight provinces representing 94 per cent of the Canadian population. That was a great exercise in Canadian democracy. It may not have been perfect, but it sought the end of bringing people together.

We did not succeed even though we achieved unanimity on two occasions, in 1987 and 1990. Some of the most eloquent support that we received was from members of my hon. friend's own party, and I thank those members again for that.

The fact of the matter is that we are faced with another challenge. I am going to commit every effort that I can and I invite my hon. friend to do the same thing, to make sure that at the end of the day there is one and only one important consideration, the unity of Canada. Not whether I am elected or re-elected, that is irrelevant. Not whether my hon. friend is elected or re-elected, that is irrelevant. The only important thing is Canada and the unity of Canada.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is directed to the Prime Minister. For the second day in a row he has been trying to rewrite history and make excuses for his failure to successfully conclude an agreement. Whatever the circumstances, one thing is for sure, he made promises he was unable to keep. Those are the facts. And the person to blame for today's constitutional crisis is the Prime Minister, who made promises he failed to keep.

The Minister of the Environment knows that the Liberal Party—all members of the Liberal Party—tried very hard to obtain approval of the Charest report. It is clear that the dissenting voices were not on this side but on the other side of the House.

Mr. Speaker, my question is this: How can we expect to settle the constitutional question, when some Conservative ministers cannot seem to make up their minds? We know how hard it is for some of his ministers from Quebec to conform to cabinet discipline, but we are amazed that the Prime Minister cannot even control his Minister of Justice.

When will the Prime Minister manage to control his cabinet and ensure the government speaks with one voice?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, as a federalist and as a Canadian, I really do not understand how the hon. member can make these highly partisan comments on an issue that is so vital to the existence of our country.

He says we should not rewrite history. I agree. The events are there, and historians will make their own value judgments. The fact is that on June 9, 1990, at a televised meeting in Ottawa, the Prime Minister of Canada and 10 provincial premiers all 10, signed a constitutional document, pursuant to which they agreed to approve the Meech Lake accord or have it approved, either by referendum or by a vote in a legislative assembly by June 22.

In one province, all three leaders—NDP, Conservative and Liberal—expressed their approval of the Accord. But in the tenth province's legislature, the vote that was to take place, as agreed by the provincial premier when he signed the document, was cancelled at the very last minute. If the accord had been defeated by a vote in the legislature I would have said: Well, that's too bad, but at least the MPPs had a chance to say yes or no. However, the fact that the vote was cancelled at the very last minute was a very serious development.

I am not the one to rewrite history and I would ask my hon. friend to read up on his history before making these negative comments about me.

[*English*]

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I would like to ask another question of the Prime Minister because it is obvious that what is at stake here is the future of this country.

The unity of this country is very important. It seems to us on this side that the government has been confusing process with progress.

We have had the Spicer commission. We had the Beaudoin-Edwards committee. We had the Beaudoin-Dobbie committee. We have had six national conferences and many millions of dollars later we are asking and wondering where the government is going.

Very recently the Minister of Finance said in this House that the bad economy was linked with the unresolved constitutional crisis. Well, we would like to be sure that the government is going to come forward very soon with a solution to this constitutional crisis. Unfortunately, we do not see this coming.

When will the Prime Minister come with the united proposal from his cabinet, a uniform final proposal that all Canadians could vote on and agree?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, if the challenge were to bring forward a united proposal from the Government of Canada, that would be forthcoming. Perhaps my friend has forgotten under the 1982 Constitution that is no longer possible.

The primary obligation pursuant to the Constitution that was amended was that the Government of Canada meet with the provinces and agree with the provinces on constitutional amendments without which we do not have the constitutional authority to move ahead.

That is the heritage of 1982. I am not being critical. It is simply a fact of life which means we cannot simply stand up in the House of Commons and say we are going to propose such and such constitutional change without the approval of the provinces.

The point that we have been making, and I think it is a reasonable point, is that we have engaged the process further to consultation with Canadians. They wanted royal commissions, parliamentary commissions, and the involvement of ordinary Canadians to the extent humanly possible. There were five major conferences, plus one that was devoted exclusively to aboriginal concerns. That was very important.

• (1430)

We are now meeting with the provinces with a view to seeing if we cannot come forward unanimously with a package that will meet all of the requirements of Canadians in terms of constitutional change.

I have indicated time and time again to my hon. friend—and I thought he agreed with this—that if we are unable to do this in spite of our best efforts then we will come before the House of Commons and report to him and our colleagues with a device designed to make sure that Canadians have an opportunity to speak for themselves in regard to this fundamental question.

I do not think there is any disagreement between my hon. friend and myself as to our ultimate objective. We are trying to do it in the most democratic and effective way possible.

* * *

THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, there are 1.5 million unemployed Canadians outside this House and another 1.5 million Canadians who are on some form of social assistance, many of whom have given up looking for work.

Today, Statistics Canada suggests there is a stall in the economic recovery, but the Conference Board of Canada goes further and calls it the slowest recovery from a recession in modern history. The Conference Board makes a direct link between the high unemployment and the recovery from the recession. Certainly the unemployed would agree with that.

In its last budget the government has refused to invest in a program like a community infrastructure program to get people back to work. The government's programs clearly are not working. Employment is not increasing in this country. I want to ask the Prime Minister: When will the government bring forth a plan to get Canadians back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. Leader of the New Democratic Party has been referring to the composite leading indicator, which I remind her has increased for nine consecutive months. It stayed level in the month of January, but I remind her that real gross domestic product grew in the month of January. Housing sales are up by some 14.5 per cent. New housing starts are up by some 11 per cent. Motor vehicle sales are up by some 7 per cent over the previous year.

There are indications of a strengthening U.S. economy, but I remind the hon. member that the economy is weak not only in Canada. It is weak in the United States. It is weak in the United Kingdom. It is weak in France. It is weak in Japan. It is a world-wide phenomenon.

I think the hon. member would agree with me that a number of initiatives were brought forth in the budget to help the manufacturing and processing sector, to improve the investment climate, to preserve jobs, and to create new jobs.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, Canadians understand that economies may be weak, but what they need is a strong government in Canada that will stand up for Canadians and put in place some programs that will get Canadians back to work.

This government acts as though it has absolutely no choice and that it is powerless to do anything. A number of suggestions have been put forward by the provinces, by this party and by others that would get Canadians back to work.

The Conference Board today has confirmed that the employment results "of the past months are nothing short of disastrous". That has to be a serious indictment of this government's policies.

One of the reasons is certainly the Canada-U.S. trade deal. We only have to look at what has happened with the Honda ruling, beef exports, beer, all the softwood countervail, and so on. Now we see computers and textile industries being jeopardized by the proposed NAFTA deal.

I want to ask the Prime Minister: Given what is happening in Canada now, given what is happening to Canadian jobs, why is the government intent on expanding a trade deal to Mexico, taking a bad deal, the Canada-U.S. trade deal, and making it worse?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I presume from that my hon. friend would not have us at the table at all and that she would like to have the Mexicans and the Americans arrange a trade deal among themselves that could disadvantage Canada, that could disadvantage Canadian investment and investment in Canada.

That is simply not the position of this government. We also see some good opportunities for business in Mexico. I remind her that there was a trade show at the end of January. We were looking for some 75 companies to go to that trade show, but because of the opportunities that were there 206 Canadian companies went down.

Automotive products, telecommunications, environmental products and transportation are all products or services for which Canadian business people see good opportunities in Mexico and through Mexico into the rest of the South American market.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the minister. It is clear that this government has managed to export more Canadian jobs and products despite what the minister has to say.

[*Translation*]

I would like to ask the minister a question about a very specific area, textiles and electronics, industries that employ hundreds of thousands of people in this country. We learned that senior American and Canadian officials are saying that these industries are even more threatened than before because of the trade agreement between the United States, Canada and Mexico.

Here is my question for the minister. Surely it is time to end these negotiations. Once again, hundreds of thousands of jobs are at risk. Is the minister now prepared to end these negotiations, for the sake of Canadians and their jobs?

[*English*]

Mr. Mulroney: Protection all the way.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I do not understand how my hon. friend can say as a result of the free trade agreement there has been an export of jobs when our exports with the United States have gone up since 1988. Our trade surplus with the United States has gone up since 1988. The facts do not support the rhetoric that she is using.

As far as the particular question she has posed on the rules of origin for textiles and for electronics, she may be surprised to hear that she and I are in agreement. We are opposed to the position that is on the table between the Americans and the Mexicans, and we are fighting that. We are fighting that because the advice that we have received from those industries is that it would be negative for the position of those industries in Canada and in seeking access to those markets.

That is precisely why we are at the table: to get a good deal for Canada, a good deal for these industries, and to make sure that the national interest is protected.

* * *

NATIONAL UNITY

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Prime Minister. The Prime Minister will know that the Leader of the Opposition and indeed members of this party have publicly acknowledged and applauded the position of the Prime Minister in Quebec last week and the posture of the Minister Responsible for Constitutional Affairs in Alberta last week. We have applauded the Prime Minister and the constitutional affairs minister in coming around to the position that we have consistently taken on a national referendum and the need for a national referendum.

Through five questions today from the Leader of the Opposition and the member for Papineau about the division, the conflict and the contradiction within the Prime Minister's cabinet, the Prime Minister has not once said or acknowledged the need for a cabinet to be united on this important question.

Does the Prime Minister agree with those of us on this side of the House that it is important for a cabinet to speak with one voice on this question if we are to expect a resounding single and unified voice from the people of Canada on the need to keep this country together?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I thank my hon. friend for his original comments, his prefatory remarks. I acknowledged earlier yesterday the constructive views of the Leader of the Opposition and the member for Papineau in regard to some important aspects of national unity. When he talked about the division, conflict and contradiction, I thought he was talking about his caucus for a while and not necessarily anybody else's.

With regard to the question of unity, no political party on any great issue, at least not in recent Canadian history, has had total agreement on everything, but in the seven and one-half years I have had the privilege of being Prime Minister I have been very grateful for the solidarity and the support I have received when I have had occasion to speak for my party and my caucus. That has been true from the beginning, with some exceptions, and it remains true today.

• (1440)

With regard to the question as to whether the caucus and the party is united on the important question of the unity of Canada, there is no question about that.

Is it united on the question of putting forward new constitutional proposals that will meet the legitimate aspirations of Canadians from all across the country? There is no problem there. Is it united on the question of this being done within respectable and reasonable time frames that we are all familiar with? There is no problem there.

However, given the constraints of 1982 which force us to deal with the premiers to achieve a constitutional agreement, how it is done gives rise to differences of opinion. Those differences of opinion are not fundamental to the issue of Canadian unity. All of us in our own way are seeking to do the right thing, namely to keep the country together, as I think my hon. friend is.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, there are thousands of Canadians including many on this side of the House who are willing to participate in a crusade for Canada, but we have to know what the game plan is.

It is fundamental, whether the Prime Minister realizes it or not, that the Minister of Justice of Canada, that the Minister of National Defence of Canada, that the Minister of Employment and Immigration of Canada, that the Minister Responsible for Constitutional Affairs of Canada, that the Minister of Transport of Canada, that the Prime Minister of Canada, that the cabinet of Canada speak with one voice in order that Canadians can have some sense of leadership at this time of crisis.

I ask the Prime Minister once again, because Canadians are begging for leadership: Will he assure this House, and through this House Canadians, that at least the members of his cabinet will speak with one voice, that he is presiding over a campaign for Canada and not presiding over the beginning of the Tory leadership campaign, a shocking example of partisanship at a time when Canada needs leadership?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, he was doing okay until the very end.

An hon. member: He got mad hearing his own voice.

Mr. Mulroney: Just for once in his life, Brian went on a little too long. I indicated—

Mr. Tobin: I will be in your corner in the campaign.

Mr. Mulroney: Mr. Speaker, my hon. friend said he will be in my corner. That is one of the most terrifying things that has been said. Could I have a glass of water and think about that, Mr. Speaker?

Some hon. members: Hear, hear.

Mr. Mulroney: May I say to my hon. friend that I think we are probably in fundamental agreement. That may surprise him. I think we probably are.

The fundamentals of what we are talking about are, for example, what I laid out most recently in Quebec City last Friday and in Baie Comeau last Thursday evening: the fundamentals of Canada, the benefits of a united Canada, the ferocious opposition that must exist to those who would destroy and dismember this great country. The fundamentals, the heart of the argument is there, well known and widely acknowledged across the province of Quebec and across Canada.

How we achieve constitutional amendment given the constraints of the 1982 Constitution, how we bring forward new constitutional proposals, when and under what auspices, using what instruments are questions for legitimate debate. These matters are now in the process of being considered by the country. At an appropriate time, when the government makes a choice and brings it in, the cabinet will support that decision fully. My hope is that the hon. member will support it fully because at that point in time it will be clear to him, to coin a phrase, that the universe is unfolding as it should.

* * *

TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the harassment by the United States of the Honda automobile exports from Canada is a threat to jobs and to future investment and manufacturing in Canada.

A United States trade official has admitted that what he called "ambiguous and contrary" rules of origin are at the root of the current dispute, adding that they were "badly drafted" in the existing free trade agreement.

What will the government do in the current North American free trade negotiations to ensure that these "badly drafted", "ambiguous and contrary" rules of origin are eliminated?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, before I respond to the question, just to make a point, colleagues opposite have tried to draw some spurious differences among our cabinet.

I would say that if you compare the trade position of the member for Etobicoke North to that of the member for Winnipeg South Centre, you will see a significant difference in the trade positions within that party on one of the fundamental matters of our time right now. I think the hon. member should be careful.

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member for Etobicoke North.

Hon. Roy MacLaren (Etobicoke North): I do not know, Mr. Speaker, whether I should conclude that the minister has no answer or he just wants to evade the question altogether.

It is not just automobiles which are the target of protectionists in the United States, as the minister well knows. Now U.S. negotiators in the current North American free trade talks are asking for a higher content requirement for Canadian-made computers. Certainly all that casts some doubt on the government's continued claim that somehow Canada won secure access to the U.S. market.

I will repeat my question. What is the government doing to obtain an improved definition of content requirements at their current levels in the free trade negotiations?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend mentioned in his earlier question that an American official points at the loose drafting in the original wording of the rules of origin. Both sides of the agreement thought we had a good definition of rules of origin. Clearly we are finding now with the Honda issue—he points out some other problems—that we have to tighten up these rules of origin.

This is something that we are attempting to do, working with the Mexicans in the North American free trade agreement. That work will help us as well in the event that there is not a Mexican agreement. We will be able to use that work to good effect in the Canada-U.S. Free Trade Agreement.

Nothing is perfect in this world. I wish it were. But we are going to try to make it a lot better as we learn from our mistakes.

* * *

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I am not sure if the Minister of Finance realizes quite how serious is the accusation from the Conference Board of Canada. It is an accusation that says that consumer confidence in this country continues to be extremely poor despite the efforts of his budget to make things better.

The minister does not seem to know on whom to blame the continuation of this recession. One day he blames it on the Constitution, the next day on Mr. Rae, today on the American economy.

Is it not time that the minister recognized that the problem is with himself and his government's policies and is it not time to change those policies for the sake of people across this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I have acknowledged that the economy is weak and acknowledged in the budget speech the fact that there was negative growth in the fourth quarter of 1991 and that the prospects for the first quarter of 1992 were not at all promising.

Having said that, I remind the hon. member that real GDP rose in January 1992. There has been a lot of activity in the housing sector, thanks to the lower interest rates, the moderate price of housing and the initiatives this government has brought forward, both in terms of lower down payments and the RRSP program.

• (1450)

The merchandise trade balance is improving. There has been a 4.6 per cent pick up in trade. It is an indication that the U.S. economy is strengthening and is having an effect on Canada.

In addition, to address the critical area of job creation and job preservation, we brought forward a number of initiatives that will help the manufacturing and processing sector both in terms of making them more competitive and improving their investment climate.

I ask the hon. member to make sure in his next communication with the premier of Ontario that he ensures the premier does nothing to undermine or nullify those very positive initiatives we have taken.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact the Conference Board gave a report card on this past budget the minister brought in and said that there would be an addition of 0.1 per cent to economic growth thanks to that budget.

I want to ask this minister if he is satisfied with an addition of 0.1 per cent to economic growth when, in fact, that means there are going to be hundreds of thousands of Canadians kept off the job, out of work, not contributing to our economy and costing the people of this country and their own families immense amounts in human damage.

Is he prepared to accept that?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I do not agree with the hon. member's conclusion.

As the hon. member knows, the budget projects that there will be 1.5 million jobs created over the next five-year period or roughly 300,000 jobs a year. We are not only going through a recession, we are going through a restructuring program which is causing industries, particularly the manufacturing and processing industries, to go through a restructuring and adjustment process as a result of globalization and more competitive economy.

We have tried to support industry in that initiative with very positive measures. We believe that there will be a growth rate pick up of about 2.7 per cent this year and more than 4 per cent in 1993.

Contrary to what the hon. member has suggested, I think the budget has received a very positive response and has served to improve optimism and hope for the future.

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BANKS

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs or whoever is answering for him today.

While Canadians are on their knees begging for relief, Canadian chartered banks have increased service charges by over 365 per cent. But this minister, the government's so-called chief consumer watch-dog, has remained silent.

What action will the minister take today to confront Canada's bankers, protect Canadian consumers and prove that Canada's watch-dog has not turned into a lap-dog for the big financial institutions in Canada?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the minister has taken his responsibilities very seriously. I point out to the hon. member the legislation that was passed which resulted in disclosure is now part of the law, part of the manner in which the banks have to conduct their business. There was also additional competition that was approved in the legislation.

I put those forward to the member and I mention one other point. He knows and I know that consumers are the best watch-dogs for their own dollars and for the manner in which they are going to reduce their own costs. Again, getting financial services is still the best way to take a look at one's own interest and one's own concern. Many people in this House have said many times that the consumer can best protect him or herself by shopping for the best services at the best price they can.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, that is an interesting response.

At the same time that we have double digit unemployment, record bankruptcies right across the country and close to one million Canadians relying on food banks just to stay alive, Canadian chartered banks reported a record $2.2 billion in profit. That is 1,100 per cent increase in 10 years.

What will it take before this minister and this government realize that Canadian consumers have had it and they are fed up by being ripped off by big banks? They want something done about it.

Hon. Jake Epp (Minister of Energy, Mines and Resources): I will remind the hon. member again about the legislation. I would also remind him about the work that was done in the parliamentary committee and the testimony before the committee.

But I point out to him again that many of us, and I do not want to take it from any single point of view, shop around for the best deals. Service charges are not the same at every bank and the charges are not the same in every branch. We can, in fact, shop around. That is part of the marketplace and I would suggest that is still the best way to do it. If he does not like it I could give him some figures to show what some of us are spending.

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CANADIAN JOBS STRATEGY

Mr. John Nunziata (York South—Weston): Mr. Speaker, my question is for the Minister of Employment and Immigration.

I would like to ask a question on behalf of the hundreds of thousands of Canadians whose UI benefits have run out, who are unemployed and who are in desperate need of training.

Can the minister explain why his government cut $100 million from the training fund of the Canadian Jobs Strategy last year and a further $110 million this year? Does the minister not realize that these cuts are gutting community-based training from one end of the country to the other?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the adjustments to the CJS project are not gutting training, quite to the contrary. Maybe the hon. member would be pleased to learn that we have increased training funds for unemployed Canadians by $400 million this fiscal year. We are going to be spending $1.8 billion to train unemployed Canadians throughout Canada.

Mr. John Nunziata (York South—Weston): Mr. Speaker, the minister is trying to hoodwink Canadians into believing that this government is committed to job training. He knows that the amount of money being spent on job training is coming out of the UI fund, that the government has cut funds from the Canadian Jobs Strategy. People who are unemployed and who are not receiving unemployment insurance are in desperate need of training. These are the people who are being affected.

I would like to ask the minister again why is he gutting community-based training programs across Canada? Does he not realize that the most disadvantaged of the unemployed—women, youth, the disabled and visible minorities—are the ones more desperately in need of training?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Maybe the hon. member should get out of Ottawa, go to the country and see those people with whom we work.

The Labour Force Development Strategy that this government introduced is working on behalf of Canadians. We are working with the labour movement, with business, educators, trainers. I was in Toronto yesterday and I got a standing ovation from people in need of employment and training and who are getting it.

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[*Translation*]

QUEBEC REFERENDUM

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, my question is for the Prime Minister. Further to the many reports which we received today, what does the Prime Minister think of the statement made by Mr. Parizeau, leader of the Parti Québécois, to the effect that it would be preferable to delay holding the referendum in Quebec for a year or two, in view of the economic situation?

Some hon. members: Oh, oh.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think that Mr. Parizeau has just scored a goal in his own net.

Some hon. members: Oh, oh.

Mr. Mulroney: First, he says that he wants a referendum as soon as possible and he votes against Bill 150. But in English Canada he says that he wants the referendum delayed for a year or two. I quote him. On March 15, he said: "If you ask me whether it would be preferable to make a decision on Quebec sovereignty today or in a year or two, I prefer waiting a year or two, because we will be in a recovery then".

So in Quebec, he wants the referendum right away, and in English Canada, he wants it in two years.

Mr. Parizeau also wants a sovereign Quebec with Canadian currency, Canadian citizenship, the benefits of the Canadian economic union, the FTA, a Canadian passport, the Canadian flag and the Queen. If this were a hockey game in Baie-Comeau, Mr. Parizeau would be playing for the separatist Quebecers while proudly wearing a federalist sweater.

Some hon. members: Hear, hear.

* * *

[*English*]

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, my question is for the Minister for International Trade.

In speaking on behalf of the Secretary of State for External Affairs, the minister will know that within the past week grave human rights concerns have been raised with respect to both Guatemala, where a delegation of respected church leaders just returned to Canada, and India in which Amnesty International has documented serious violations of human rights, particularly in Punjab and Kashmir.

I want to ask the minister this question. Will the government take serious action to implement the recommendations of the Interchurch Committee on Guatemala? What action will the government take with respect to the recommendations of Amnesty International and in particular with respect to the ongoing detention of Akali political leaders in Punjab.

What action is this government going to take with respect to human rights violations both in Guatemala and in India?

[*Translation*]

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I am aware of the hon. member's abiding interest in human rights issues, and I am sure he realizes our government is extremely concerned and is acting accordingly. In fact, he will recall statements by the Prime Minister to Commonwealth countries and members of the Francophonie that we would support those governments and take appropriate action.

As for the two specific cases mentioned by the hon. member, in the case of India, we have frequently made representations, both to the government directly and through various organizations, including the UN Commission on Human Rights in Geneva not long ago, and also last fall, in November, at the UN General Assembly. In other words, we are doing everything we can to inform the authorities concerned that we cannot tolerate human rights abuses and that we want them to act accordingly.

As for Guatemala, here again we are aware of the problems facing people in that country. I can inform the hon. member that we are trying to change attitudes and persuade governments to act accordingly.

And very briefly, Mr. Speaker, as far as our aid programs are concerned, very often, and I wish the hon. member would realize this, our programs are directed to the disadvantaged, and we are trying to have a positive impact on both the governments and the people of these countries.

[*English*]

REGIONAL DEVELOPMENT

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, my question is for the Minister of Industry, Science and Technology.

Since 1987 the government has demonstrated its commitment to the people of northern Ontario through FEDNOR, the federal government's highly successful economic development program specifically tailored to the north.

As the minister well knows, the FEDNOR program sunset on March 31. The Minister of State for Small Businesses and Tourism, who is directly responsible for FEDNOR, is touring the north at the present time. I am wondering what the government program is where that particular program is concerned.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I know my hon. friend would agree with me when I talk about the enormous success of the FEDNOR program.

There has been an almost unanimous outpouring of support for it and as a result we will be increasing the funding to $60 million over a five-year period. This will continue support for tourism, which I know my hon. friend is very interested in, as well as small business.

There will be an additional office in Kirkland Lake and that, we hope, will help better the record we had in the last five years where 487 projects were approved to create the total of 3,000 jobs.

That is the record of success we know must be continued by this very good program of FEDNOR.

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PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to members' attention the presence in the gallery of Mr. Leonard Simms, Leader of the Opposition and Mr. Bill Matthews, both members of the Newfoundland House of Assembly.

Some hon. members: Hear, hear.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the government House leader with regard to the business of the House for tomorrow and for Monday through Friday of next week as we will be breaking on Friday for the Easter recess for members to return to their constituencies to work on behalf of those in the riding.

While the minister is on his feet, could he share with us any information pertaining to possible enabling legislation with regard to the referendum to which the Prime Minister has referred. As the minister will recall, I posed that question some time ago and I believe departmental officials had been working on it. Perhaps the minister could inform the House accordingly.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, today of course is an opposition day. Tomorrow the government's priority would be to ask the leave of the House to waive the 48-hour notice and proceed with report stage and third reading of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act. The have not provinces are waiting for those funds. In fact, this bill should come into effect on April 1, the new fiscal year.

We will be asking members opposite for their co-operation in this regard. We attempted that yesterday but it was turned down by the New Democratic Party. We will try again this afternoon. If we receive a no again to that request then it will be my intention to call an allotted day tomorrow.

On Monday the government will call second reading of Bill C-46, an act respecting contraventions of federal enactments, followed by report stage of Bill C-31, an act to amend the Extradition Act.

On Tuesday we expect to complete third reading of Bill C-31.

On Wednesday the government intends to call Bill C-49, an act to amend the Criminal Code respecting sexual assault for debate at second reading.

I would like to discuss with colleagues the remainder of that week as to what other legislation might be completed.

Concerning the referendum legislation, the Prime Minister has indicated all of our energies, all of our hopes, all of our aspirations, along with, I believe, those of the Official Opposition and the New Democratic Party, are working to receive an agreement with the provinces to achieve a constitutional amendment that will unite this country.

As the Prime Minister indicated, that should we require to hold a plebiscite then there would be discussions among House officers to find the way in which the appropriate legislation could be brought forward. In the meantime, rather than getting into the minutia, we should keep our eye on the ball, the ball in this case being the constitutional unity of this country. I will try and avoid playing political games with this important issue if the hon. member will.

Mr. Dingwall: Mr. Speaker, I do not think the hon. member opposite has anything to fear from me. As a member of my caucus, and as exhibited by our leaders as well as other members in this caucus, we proceed in a way in which the best interests of this country come first, putting politics aside.

In response to Bill C-60, I just want to confirm for the government House leader that the consent the hon. member is seeking is to have this bill come before the House for debate. I know the hon. member is astute enough to recognize that we have given that consent and we intend to give that consent.

However, I hope the hon. member does not confuse our consent with agreement with the subject matter in terms of what the government is doing under the fiscal arrangements. We would like to have that bill before the House in order to debate it fully. I want to make that undertaking quite clear to the hon. member. It does not necessarily mean that we agree with all the substance of that particular bill.

Perhaps the hon. member could indicate what he might contemplate for next Thursday and Friday.

• (1510)

I know that is far off into the week, but is he thinking of continuing supply days or is there other legislation of which we might make our critics aware? Then they can prepare for the debate which will ensue.

Mr. Andre: Mr. Speaker, when considering future legislation, I am not sure how long is going to be required for the amendments to the Criminal Code respecting sexual assault, for example.

We also have legislation dealing with oil and gas regulations for offshore drilling that is important in terms of Hibernia. We have to bring that forward, perhaps, for passage.

There is another bill respecting the transport of dangerous goods which I would like to bring forward for passage. Of course, all of that depends on the amount of co-operation we receive concerning other legislation.

With respect to Bill C-60, I need to remind the member that there is another house, and the other place will require time to deal with the legislation. The fact of the matter is the failure to agree not only to bring it forward for debate but to complete debate within this week means that the cheques that go out to the have not provinces will not go out on time.

They will not be delivered until into May as opposed to April 16 and 22 when they are expected. That is fine. In fact, it will save a little interest for the federal government but cost interest for the have not provinces. I leave it up to the opposition to decide how they are treated.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, there have been several references to Bill C-60.

I would like to clarify if I could some of the points to which the House leader referred. He suggested that discussions had taken place to which a no had been answered. In fact, it is not the case.

Discussions took place at which we indicated that under certain conditions we were quite prepared to pass the legislation with extreme rapidity. One of those conditions was that we receive the chance to put an amendment with respect to this legislation in committee and to have that discussed.

It was something of a surprise to discover yesterday that while the very discussions were taking place with the deputy House leader of the Conservative Party, the finance committee passed this legislation through committee without the possibility of the amendment, which is quite important to all of us who want to see a much greater sense of urgency with respect to review, with respect to renewal and with respect to change in other major transfer programs besides this present transfer program. It was important to have that debate take place.

I look at the House leader's comments that he is open to further discussions this afternoon as a welcome signal. I look forward to seeing those discussions go forward.

Mr. Andre: Mr. Speaker, I am glad that he welcomes those discussions but I see the chairman of the committee standing.

He will probably confirm that the hon. member for Essex—Windsor filibustered all day Tuesday rather than allow that bill to come through committee. Perhaps it can be confirmed by the parliamentary secretary that the discussions that the hon. member said were not held were in fact held.

Perhaps it can also be pointed out that what he is expressing in committee is Bob Rae's position that Ontario no longer wants to contribute to equalization and he wants to cut back the period from two years to one year.

That is legitimate, but he should put the motion and have it voted on rather than obstructing and filibustering. What he is doing in the process is delaying cheques that will go out to these have not provinces. Let there be no mistake. The delay of those cheques will be due to the activities of that member.

Some hon. members: Shame, shame.

The Acting Speaker (Mr. DeBlois): Order, please.

[*Translation*]

I am willing to let the debate proceed, but the Chair would like to suggest that, considering the signals that have been sent, the three House leaders might wish to pursue their attempts to reach a consensus outside the House.

That being said, I am willing to allow further comments for a few minutes. The hon. member for Edmonton Northwest.

[*English*]

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I would like to clarify one point that was just raised by the hon. member for Essex—Windsor. On Tuesday the entire meeting was taken up essentially by that member on a discussion of this bill. There was an agreement that we would put this bill ahead of the other bill that was scheduled to be debated or dealt with in committee on Wednesday and that we would do it at 3.30.

I contacted the Liberal deputy Whip. I advised her. At 3.30 members of our party were there. The Liberal members were there. The hon. member for Windsor West was there. The hon. member for St. Boniface was there. We waited 10 minutes. No one was there from the NDP so we commenced the meeting. We passed the bill. There was nobody there to move the amendment so the amendment was not moved. It is not up to us, necessarily, to wonder where members are who are not there to move their own amendments.

Mr. Langdon: Mr. Speaker, I have just two quick points. I agree that it makes sense to continue the discussion.

The first point is that there has been a complete distortion of the position I put in the committee. At no stage was it suggested that we should delay equalization payments to provinces this year because we wanted somehow to block them on behalf of Ontario. That is simply not the case.

With respect to the comments of the chairman of the committee, I simply want to say that if there is not sufficient communication between the House leadership of the Conservative Party and the Conservative chair of this committee it is not my fault.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, whatever else the plans might be for next week, I certainly hope there is agreement to pass Bill C-49, the rape shield law, in a quick and timely fashion. I think we have been assured that it will move through the House quickly.

Will it be coming up earlier and will we have an opportunity to pass that bill?

Mr. Andre: Mr. Speaker, as I indicated, it is my intention to call it, to call it early and to call it on time. If we take up all next week discussing Bill C-60 then there might not be an opportunity.

I think the choice is the hon. member should discuss with her colleague from Essex—Windsor. This is what happens with unnecessary delay on legislation. I cannot commit absolutely, but it is our plan to bring forward that bill.

Mr. Dingwall: I am wondering if the government House leader could just confirm what I understand will happen if Bill C-60 is not dealt with tomorrow in terms of the time frame of getting cheques to those poor provinces across the country. He alluded to the fact that they would not get them in April but would be postponed until May.

Can he confirm that? Do I understand correctly?

Mr. Andre: The situation is that the other place, like this place, intends to adjourn at the end of next week. We have to get the bill passed through this House and over to the other place. They demand the right to examine it at second reading, committee study, report stage and third reading. On that which has taken our House several weeks to do, they react rather badly when we suggest they should do it in half a day.

Therefore, if we delay past tomorrow and some time to next week before we send it to the other place, there is a very good likelihood it will not receive royal assent prior to our adjournment. It will not be considered by the other place, in which case the cheques that I believe are due on April 16 and April 22 will have to be delayed until the bill is dealt with. That is the only point I am making. I regret that we are in this time bind, but that is what happens when bills get delayed for purposes of making political points.

• (1520)

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I was not going to rise, but the minister suggested it was our fault that the bill was being held up and I want to correct the record.

The bill was not tabled until late February. It was only given two days of review by committee. If the government were that worried about priorities, it would have brought the bill in earlier. It would not have had day after day of opposition days. It would have gone on with government business.

This malarkey that it is our fault is just that, malarkey.

Mr. Andre: I want to remind the hon. member again of what happened. There was a meeting of finance ministers in Quebec City at that time to work out the details of new fiscal arrangements. Immediately after that meeting a bill was introduced in the House by the Minister of Finance to give effect to those agreements.

The hon. member is suggesting that it is quite appropriate for his colleague from Essex—Windsor to keep the thing in our House for a month or several days in committee. But we should be able to send it over to the Senate some time next week and it should deal with it in a few hours so that the provinces are not going to be denied their cheques.

The reality is that might not happen. Let there be no mistake as to where the fault lies if in fact those cheques are delayed.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I invite both sides of the House to pursue their efforts to reach a consensus. Orders of the day.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY, S. O. 81—TRANSPORTATION

The House resumed consideration of the motion of Mr. Angus (p. 9219).

The Acting Speaker (Mr. DeBlois): At 1.15 p.m., when the House took recess, the hon. member for Abitibi had 16 minutes left to finish his speech.

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, thank you for giving me this opportunity to continue my comments on the opposition motion. As I was saying, after the crash at Dryden, Ontario, several months later, on June 19, 1989, we read the following in an article by Frédéric Wagnière in *La Presse*:

> We need a second round of deregulation in the air transportation industry.
>
> A recent study predicted a 30 per cent increase in the cost of air transportation in Canada within the next two years. The increase was predicted on the premise that 98 per cent of domestic traffic is controlled by two companies, Air Canada and Canadian Airlines. The two companies share the same reservation system, which gives them an advantage over their competitors.
>
> In the case of commercial aviation in Canada, deregulation has caused rates to go down but has also eliminated regional carriers, which have been absorbed by the two major airlines.
>
> If regional carriers had been able to remain independent, the industry would have become more competitive.

In concluding, our journalist wrote:

> Generally speaking, the entire industry would be in better financial shape if it used its equipment more efficiently. This would mean more efficient use of airports and the services of air traffic controllers, since the fees charged for these services are the same whether an aircraft is half empty, with passengers paying full fare, or almost full, with passengers paying economy fare. Overloading is a problem today at airports in Canada, and one solution would be more efficient flight scheduling.

This was in 1989.

Pierre Jeanniot, in an article that appeared in *La Presse* on June 10, 1991, writes:

> Canada's transportation industry is at a crossroads. The climate of pessimism affecting the industry has spread to the commercial aviation sector. A new approach is necessary. In the seventies the emphasis was on airport infrastructures. To keep voters happy, the government, instead of building airports on the basis of need, was rushing to provide facilities left, right and centre, as a sop to the electorate.

This was in 1970.

> In the early eighties, deregulation became fashionable. The government wanted to let market forces prevail, which is not unreasonable, except that at the same time, investing in the future of airport facilities was no longer considered necessary.
>
> Fortunately, after a seven-year gestation period, a policy for decentralization is expected to be announced this year.

This was in 1991. In his article, Mr. Jeanniot also said, and I quote:

> Another suggestion would be to establish genuine, intermodal integration, combining railway and air transportation. The facilities of Dorval and Mirabel could be used as a single airport by providing for rapid railway transportation between the two. The experiment would not only be useful as a pilot project for renewal of the railway industry but would also make Montreal more competitive with Toronto.

Mr. Speaker, I would like to continue in the same vein, on the motion of the hon. member for Thunder Bay—Atikokan, which also mentioned roads. At the first ministers' meeting in Toronto on March 23 and 24, they talked about the railway system. I asked the Minister of Transport a question in the House this week on this subject. I said: "I understand that the Quebec government is neglecting highway 117, the Trans-Canada Highway in Abitibi-Témiscamingue. However, further to the First Ministers' Conference on the economy held on March 24 and 25, the governments had agreed to give priority to proposals regarding the national highway system".

When we talk about the highway system, be it the Trans-Canada Highway or other cross-Canada roads, all the provinces say that they have their own priorities, and that is important. For us in Abitibi, as far as highway 117 is concerned, it is really important that the road from Louvicourt through Val-d'Or, Malartic, Rivière-Héva, Cadillac and the Rouyn-Noranda area to the Quebec-Ontario border be completely rebuilt for the safety of users and the public. For many years, economic interest groups have been asking both governments for this.

It is time for both governments to become fully involved so that a remote region like Abitibi–Témiscamingue has the money to rebuild this highway for the greater safety of road users.

Another important area, Mr. Speaker, is the trucking industry. This morning, other members spoke about it. I have here an article published in the March 1992 *Écho du transport*. It says:

> On December 6, 1991, the Government of Canada announced a series of measures concerning the transportation industry. These provisions should in principle improve the tax system for carriers and subcontractors. By taking advantage of these measures, highway transportation companies should become more competitive, it is thought.
>
> To put this in context, let us give the measures affecting highway transportation. The government has done much in recent months, in cooperation with the unions, independent carriers and so on. They set up a two-year loss compensation program offering a partial rebate of the federal excise tax on diesel fuel to transportation companies in exchange for a reduction in the losses that they would use to reduce their income tax in future; truckers will thus be able to choose a similar rebate that is administratively simpler and is meant primarily for independent truckers; depreciation rates will be adjusted to better reflect actual depreciation, with the CCA going from 30 to 40 per cent for trucks, tractors and semi-trailers used in carrying freight; $2.7 million will be allocated to establish a cooperative that will use its buying power to help lower the costs of supplies and equipment for truckers who rent their services.
>
> There were many measures. Although the federal government adopted these measures to help the trucking industry recover, we must also keep in mind that this initiative of the Mulroney government finally recognizes that freight transportation is a very big business and that economic recovery is closely tied to it. Therefore it must support the trucking industry with economic incentives.

Mr. Speaker, this magazine article was written by Jean-Jacques Savard. In closing, he adds this:

> In my opinion, only a concerted effort of the federal and provincial governments will get the trucking industry back in shape. Ottawa has shown its good will. Given the present political context, Quebec must get the message and do its part.

Mr. Speaker, we know that the trucking industry is important, but all governments must get involved. It is not only up to the federal government. We must maintain this security in Canada.

The hon. member for Thunder Bay—Atikokan mentions rail transportation in his motion. Mr. Speaker, in Abitibi–Témiscamingue, we know that it is very difficult to find out what the executives of VIA and Canadian National, those Crown corporations, are thinking in their ivory tower in Montreal. For months, the workers have been trying to get answers. I have tried to obtain answers in this House by putting questions on the Order Paper and Notice Paper, and every time, the answer that comes back to Parliament is the same: it is confidential.

• (1530)

We have been fighting for months to maintain the railway network. One only has to look at the Franquet–Chapais case, one of the very few that was won by economic stakeholders, by workers, following a decision made by the National Transportation Agency in favour of the Abitibi–Témiscamingue area. Immediately after, CN officials and their lawyer, Mr. Cantin, came back with a slew of lawyers to appeal that decision. Today, the case is again before the courts, but I can tell you that one day the remote areas will win this battle.

A few years ago, when CN board of directors and members of the Saint-Laurent section in Quebec chose to make a detour via Lac Saint-Jean and go directly to Rouyn-Noranda, they penalized the workers of Senneterre and of the Abitibi–Témiscamingue region. Indeed, many jobs were lost.

Mr. Speaker, I will conclude by saying that this government works very hard, but it is through cooperation with the political parties, the unions, the economic stakeholders from across Canada, and particularly the provinces that we will be able to improve safety in the airline, highway and railroad sectors. There is a lot to be done, but we can do it together.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, it is a pleasure to have the opportunity this afternoon to speak on a very important issue to the riding of Kenora—Rainy River.

Of course, it is well known in this House that the air crash everyone has been speaking of in the last few weeks, to be specific, the Dryden air crash, occurred in my riding. It is obviously an area of tremendous concern to the people of Dryden and of course specifically to the people of northern Ontario, and to those of us who fly in the regions of the north on a regular basis.

I would like to take this opportunity to thank Justice Moshansky for the excellent report that he did, and the huge amount of work that was involved in the inquiry and the tremendous recommendations that were put forward by him and his colleagues.

There were roughly 191 recommendations to improve the air safety in Canada and specifically bring to light some of the difficulties that we have encountered since the advent of deregulation.

First of all, I want to say that I am somewhat disappointed in the government's reaction to the recommendations by Justice Moshansky. Justice Moshansky put forward some very comprehensive recommendations that are necessary, in order that northerners in particular and Canadians in general can feel safe about flying in airplanes, going on trips abroad or just going to visit their neighbours a few hundred miles away in this country called Canada.

What the minister and the government did say about these recommendations is somewhat hard to understand and very difficult to imagine considering the ramifications of not paying heed to the recommendations that Justice Moshansky has put forward.

First of all for those who are not aware of what the government has said, it is simply that it is not completely in agreement with Justice Moshansky's report. It feels that he has not been fair in making some of the recommendations that he has made.

In particular the recommendations suggested that Transport Canada, the government of Canada, were at fault in some instances relating to this particular tragic incident and some of the issues that are ongoing in this country relating to air traffic since the advent of the deregulation that we are now talking about in this particular motion.

I want to say to the government opposite that something is drastically missing and something is really appalling to me as a member of Parliament about this whole episode. I hope this afternoon we will rectify that. I would like to suggest to the government that it would be very appropriate to officially recognize the heroic acts of bravery by the flight attendant, Sonia Hartwick, who risked her life to save many passengers on that very frightful day.

Also we should as a government and as Canadians officially recognize the survivors of Flight 1363 whose lives obviously have changed drastically because of that incident on that very difficult day.

It is important for the government to officially recognize the importance of the town of Dryden and the people who were involved in making sure that the rescue process was done as quickly and as efficiently as possible.

Since the accident and the inquiry there has been no recognition by the government of the very obvious fact that there were some heroic people on that exceptional day who put their own lives at risk. They went above and beyond the call of what is expected of any human being, to see that justice was done and that lives were saved. It shows just how much respect we as parliamentarians and all Canadians have for the heroics of those individuals on that day.

I have been waiting in anticipation for the minister and the government to put forward that kind of motion or publicly make that statement. At the end of my 10 minutes I will be presenting a motion to the House which basically suggests that very thing. It is my understanding that all parties have agreed through negotiations with the House leaders that it would be appropriate to put that kind of motion.

Doing something even as small as that shows that we understand just how exceptional those people were on that exciting day. I say exciting because in one moment people were frightened and the next moment their adrenalin was moving. As an individual who was there the very next day, it was like being in another world. People have to realize just what that means.

One of the things I was somewhat discouraged about was in reading some of the official documents put forward by the department in 1986 relating to deregulation and how it would be dealt with. The individuals who put forward these documents suggested certain things should be done.

I want to read into the record a few comments of what is classified as appendix A in relation to improvements of safety because of deregulation. Also I want to explain the importance of surveillance and inspectors as it relates to deregulation in that context.

Let me read just a few of them and then with that I want to go back to the recommendations of Justice Moshansky. When the two are put together it will be seen just what is lacking in this whole affair. Let me touch on some of the safety issues. Let me read from the document:

> 4. 100 per cent of the inspection coverage each year remains a goal (not a requirement). Its achievement is being sensibly deferred in order to conduct more frequent and intensive inspections on higher risk activities and carriers.
>
> 5. The following initiatives have been implemented to determine actual inspection requirements, forecast future needs and ensure maximum effectiveness of the staff in this area.
>
> a) A performance monitoring system has been initiated. It will result in greater efficiency with respect to inspection functions.
>
> b) Dedicated training programs have been developed for regulatory inspection personnel to improve inspection effectiveness.

Those particular areas that I have read for you were also areas of concern in 1984 in the Auditor General's report. If you take a look at the 191 recommendations made by Justice Moshansky, he comes at this again. Practically all 191 recommendations deal with safety inspection and monitoring, but he goes back to almost identically what is suggested by management in 1986.

• (1540)

In Moshansky's report, chapter 25 dealing with management performance says in 105: "Transport Canada ensure that air Navigation Order Series VII, No. 2, section 5, be amended to provide a clear statement of the duties, responsibilities and qualifications for all air carrier management positions set out therein".

In 106 it says: "Transport Canada ensure that, once standard criteria referred to in MCR–105 are established and published, all carrier management candidate approvals be subject to such criteria being fully satisfied".

And again in 107 it says: "Transport Canada ensure the ongoing and adequate surveillance and monitoring of new aircraft implementation programs by Canadian air carriers".

It is hard to believe that, on the one hand, in 1986 they talk about the importance of doing these kinds of things, of making sure that there are safeguards and monitoring devices, when again in Justice Moshansky's report he suggests that what should have been done has not been done. It makes me wonder just what has been going on in Transport Canada.

In the short time I have left I want to touch on something that I think is very, very important. It relates to the minister himself.

It is very important that people realize the significance of this. I want to put this one thing on the record. In chapter 37 dealing with safety management in the Transport Canada organization it says that: "Transport Canada proffer for enactment an amendment to the Aeronautics Act to delineate clearly the minister's responsibilities for aviation safety. Such amendment should emphasize the minister's responsibility to ensure that the department is organized in a manner to keep this minister accurately informed of the ability of Transport Canada to deliver its mandated aviation safety programs effectively".

The Acting Speaker (Mr. DeBlois): The member's time has expired.

Mr. Nault: Thank you, Mr. Speaker. If I could just finish, Mr. Speaker, I will go very quickly.

The Acting Speaker (Mr. DeBlois): Is there consent?

Some hon. members: Agreed.

Mr. Nault: Thank you, Mr. Speaker, and I apologize if I went a little over my time. Ten minutes seems so short on a big issue like this.

I have asked members of the House on all sides to allow me to put this motion, seconded by my colleague from Thunder Bay—Nipigon:

> That this House also call upon the government to publicly acknowledge and recognize the heroic acts of the flight attendant, Sonia Hartwick, the survivors of Flight 1363 and the men and women from the town of Dryden who were involved in the rescue efforts of the Air Ontario crash on March 10, 1989.

Thank you very much, Mr. Speaker, and I thank all members for allowing that very important motion to be put on the record.

The Acting Speaker (Mr. DeBlois): Five minute question or comments period, the hon. member for Thunder Bay—Atikokan.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I just want to use this opportunity to support the amendment put forward by the member for Kenora—Rainy River.

The efforts of Sonia Hartwick, the efforts of the crash fire rescue crew in Dryden, the municipality, all of the people who risked their own lives in a lot of ways to assist the survivors must be commended.

I would suggest that perhaps at a later point the House may be able to be seized of the actual motion and have it formally adopted by the House.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Like my colleague from Thunder Bay—Atikokan who has just preceded me, on behalf of my colleagues on this side of the House I would also like to thank the hon. member for Kenora—Rainy River for his thoughtful gesture and add our recognition to the heroic rescuers, survivors and the people of Dryden.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Following consultations, the amendment proposed by the hon. member for Kenora—Rainy River, seconded by the hon. member for Thunder Bay—Nipigon, does not meet the Rules of this House since it goes beyond the substance of the main motion. However, as there seems to be a consensus and since the Speaker's role is to serve the House, if there is unanimous consent for the incorporation of this amendment, I will be glad to submit to the decision of the members of the House.

Is there unanimous consent to incorporate the amendment to the main motion?

Some hon. members: Agreed.

[*English*]

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I am very pleased to rise in the House today to add my comments to those we have already heard.

It is about time that we honoured on the floor of this House those people who did what they did with respect to helping the survivors of that crash and the families of the victims to live through this terrible experience.

I compliment my colleague from Kenora—Rainy River. I listened very carefully to his words. The amendment that was just passed by unanimous consent certainly addresses those issues that have not to this point in time been considered by this House, nor have they been referred to on the floor of the House.

I also compliment my colleague from Thunder Bay—Atikokan for rising in his place to support the motion and the Parliamentary Secretary to the Minister of Transport who added his support to the motion. I thank both those two gentlemen and my colleague for bringing this matter before the House.

The substance of the motion today is to talk about deregulation and how it affected all modes of travel within our country, particularly air. This motion comes at an appropriate time inasmuch as we are considering the Moshansky report.

What we are talking about here when we talk about deregulation is deregulation coupled with financial restraint that happened at the same time. It is like trying to combine oil and water; it just does not mix. At this time, suffice it to say, when we try to combine those ingredients we need strong ministerial support and strong ministerial direction to ensure that those people charged with the responsibility of regulatory control and with the responsibility of providing safety to the air-travelling public of this country have had the support of those at the highest decision-making level and to ensure that they were not overworked and their responsibilities in investigating and training were followed through. Unfortunately this was not done. I hope all of us on all sides of the House have learned a lesson from this terrible tragedy.

Out of every tragedy there emerge Canadians who truly should be honoured as my colleague from Kenora has just stated. Not only should they be honoured but recognized on the floor of this House in some tangible way through which we can continue to show on behalf of all Canadians the thanks which they rightly deserve.

I know my time is short. Let me just talk about the three areas I think are important. One is the support shown by all the people from the town of Dryden led by then Mayor Tom Jones. He has shown leadership over the years as mayor of that wonderful small community. Their support and leadership were evident. In very adverse and terrible weather circumstances they were able to accommodate not only the families of the victims of this terrible tragedy, but also those who survived the tragedy.

• (1550)

I had the opportunity to sit through the hearing process in Thunder Bay, in Dryden and some of the hearings in Toronto. When I heard the evidence that was educed at the hearing and in the hearing process I could not help but admire every person who made a contribution from the town of Dryden. I, along with my colleagues on this side of the House, certainly give heartfelt thanks to everyone who made a substantial contribution, including the leadership of the mayor of Dryden.

Sonia Hartwick was the sole surviving member of the crew. What else can be said? We heard the evidence at the hearings and looked at the pain that she was going through in order to give this evidence again. She relived this terrible tragedy not only through her own evidence but through the evidence of those who survived and those who saw her perform in a very professional way and in a way that showed her empathy for the people who needed her help at that particular time.

I lack for a better word but, if I can paraphrase, if ever I have seen a heroine in my lifetime it was truly evident in her performance in this trying time. She truly deserves the thanks of all Canadians. I hope, as my colleague has stated, there will be something in a more tangible form to honour Sonia Hartwick who in our judgment is truly a heroine of this terrible tragedy.

We watched the evidence given by the survivors and Ms. Hartwick. We looked at her husband and her family during this tragedy. There should be some mention made of them. We saw the pain that they were also going through as their wife or daughter was reliving this terrible experience. As father of three girls you always put yourself, as you well know, Mr. Speaker, in the position of what you would do. I can only say on behalf of her husband and her parents how proud I am sure they must have been of her during that critical time. They should be truly thanked for the support they gave her after the tragedy and I am sure they continue to give her.

There is another group of people who are truly worthy of the thanks of the Canadian people. Mr. Justice Virgil Moshansky conducted this tremendous in-depth inquiry not only into the tragedy itself at Dryden but a further inquiry into air traffic safety and how the methodology of accident investigation is conducted in this country. He has shown, through the four volumes of his report, that there are certainly deficiencies in the process.

The work and the dedication Mr. Justice Moshansky undertook in this three-year process along with everyone that was associated, particularly the commission council, Mr. von Veh, certainly deserve, as my colleague has stated, the thanks of those of us who travel a lot on Canadian airlines and the international air community. I am sure they will take the sum and substance of this report and use it as a guide or a model by which all future investigations into air disasters will be conducted.

Just as an aside, I was truly impressed in the first several hearings that Mr. Justice Moshansky conducted a coroner-type inquest into the why, when, where, and by what means all of the victims came to their death.

I had to draw a parallel at that time because we were also involved in the Gander situation in 1985. It has been under constant review. I could not help but compare the quality of the investigative process conducted by Justice Moshansky and Mr. von Veh to the way the Gander inquiry was conducted. That one little episode could have helped family members in the Gander situation. Had the people responsible for the investigation in Gander even gone to the fundamental principle of conducting a coroner-type inquest into the reasons and by what means those soldiers came to their death, they would have satisfied the dilemma all of us not only in Canada but in the United States find ourselves in today because of an improper investigation.

That shows the tremendous importance and contribution of Mr. Justice Moshansky, his commission counsel, Mr. Frederick von Veh, and all the others involved. The lawyers representing the families, Mr. Chris Knutsen and Mr. Sandy Zaitzess, made a substantial contribution.

I appreciate the opportunity to have voiced my concerns.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I would like to address a question to the hon. member opposite.

I have listened to the questions asked in this House since Justice Moshansky's report was given to the public domain. I have also read the motion we have today. It seems we have a conspiracy which says the total fault of the aeroplane accident was deregulation.

I recall reading in the Moshansky report that there was also some error on the part of the people who worked for the airline in that they did not follow through some of their own prescribed procedures.

I am wondering how he could rationalize those two things and make sure there is a balance on the public record for the Canadian people to look at rather than see only one position put forward from this House as we have seen in the last couple of weeks, that it was an accident purely because of deregulation. Would the hon. member care to comment?

Mr. Comuzzi: Mr. Speaker, I thank my colleague for that question. We worked very closely together when he was the Parliamentary Secretary to the Minister of Transport and I was on the transport committee.

He will recall that our committee was instrumental in changing the deficiencies in what was then known as the Canadian Aviation Safety Board. We brought in a multimodal new concept with respect to the investigation of any accident involving trains, pipelines, or in the air or sea.

He will recall that we listened to the evidence given by Captain Norm Vindon of the Canadian Airline Pilots Association and many other people. What really came through to all of us was that there was no one single contributing factor to any accident today. Everything is just too complicated. I appreciate what the member has just asked, but I ask him to take his mind back to the time of that investigative process. It is not one single incident that causes an accident.

I would like to answer the question on deregulation. Although we had deregulation at the time of this incident and the Gander incident, it was one of the major contributing factors. It was not the sole factor, not the only reason why we had this disaster, but it was one of the contributing aspects that caused the accident in Dryden to happen. There were others. I believe the report states there were others. The report also states that it is one of the contributors toward this unfortunate incident and I hope, as I said earlier, that we can all learn from this situation so that it will not happen again.

• (1600)

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I want to ask my colleague from Thunder Bay—Nipigon two questions. As I understood, he indicated it was not only deregulation but also financial restraint, including lack of support from the highest ministerial authorities, that together, working in concert, had a potential, extremely negative impact on what occurred. I want to know whether I understood that.

Second, while we speak of Gander and Dryden, and they were terrible tragedies, Canadians are also interested in whether deregulation, financial restraint, and lack of appropriate government support could lead to certain problems in other areas as well.

He could perhaps give two quick comments.

Mr. Comuzzi: Mr. Speaker, I thank my colleague for the question. As I stated earlier, the financial constraints that were imposed gave an unholy mix here which was almost like oil and water. On the one hand we have financial restraints being imposed by the Minister of Transport and the government through its endeavours. On the other hand we have deregulation. What does that mean?

It means that in the open market concept or the free enterprise concept anyone could enter the system. What we faced on the other end of the spectrum was a regulatory body which was very important within the air safety in this country and which was confined. Through the reports, the numbers were being cut back rather than being really even kept.

What we have here is a huge workload and a smaller amount of people who could do the work adequately.

Justice Moshansky addresses that issue when he says it was an unworkable combination. That is why I said at the outset that it was ministerial decision-making at the highest level that should be looked at.

[*Translation*]

Mr. Guy Ricard (Laval-Ouest): Mr. Speaker, I am very pleased to participate in this debate today because I am proud of the government's achievements in transportation. A strong and competitive transportation system is vital for the development of all regions of Canada. I must also applaud our government's efforts to reform the laws and regulations that apply to the transportation system. This vital change has been long awaited. I am confident that it will enable Canada to remain competitive throughout the 1990s, while providing Canadians with safe and reliable transportation services.

The principal objectives of the reform of the economic regulations that apply to transportation in Canada are to stimulate competition, to improve the price and range of transportation services and to encourage the development of key economic sectors in our society. As competition among carriers intensifies, the transportation sector becomes more efficient and effective. Our products thus become more competitive on both domestic and international markets.

Regulations have played a very important role in Canada's social and economic development. They met a need to protect the public interest and ensure the provision of adequate services at a time when markets were simply too weak and underdeveloped to count on competition.

Today, our transportation system, like other industries, has grown and matured. Regulatory protection is no longer needed. Furthermore, competition is much stronger today in all sectors than it was just a few years ago.

These reforms were necessary for Canada to remain competitive in the world economy. The area of Canada is extremely large, second only to Russia. Yes, Canada has many and varied natural resources and a large manufacturing sector, but marketing all these products requires long-distance transportation. Efficient transportation is therefore critical.

In Canada, the share of transportation in the total cost is 1 or 2 per cent higher than in most of the countries with which we compete. On average, transportation accounts for about 5 per cent of the total cost of Canadian products. For resources like coal, pulp, paper, and potash, transportation makes up about 20 or 30 per cent of the delivery price and even 45 per cent for some coal exports.

Of course, we can do nothing to change the long distances that our products have to be shipped to market. It is therefore crucial that we overlook no factor in our control that would keep our costs higher than they could be.

In late 1984, we determined that the transportation regulatory regime was an obstacle rather than an incentive to competition, both in Canada and abroad. Our regulations prevented the transportation industry from attaining the efficiency of which it was capable.

The main difficulty was reconciling the interests of shippers and carriers in improving the package of reforms. Shippers, especially captive shippers, were offered competitive choices through initiatives like competitive line prices and higher interconnection limits. Carriers obtained the management freedom that they sought, which lets them sign confidential contracts and not have to report prices, for example.

The legislative provisions are based on the following principles: First, safety remains the top priority. Transportation safety will be subordinate to no other objective. Second, transportation services exist to meet the needs of shippers and travellers. We cannot consider these services an end in themselves. Third, as much as possible, market forces and not the government should determine what services will be offered at what price. We will thus have a more efficient and economical system and be able to provide shippers and travellers with a wide range of services. Reducing the regulatory burden and government intervention will encourage transportation companies to innovate. Fourth, economic regulation must continue to protect the public interest as often as necessary. Given the weakness of markets in remote regions like the far north, for example, some regulations must remain to ensure orderly development of these markets and guarantee essential services. The disabled must have fair and decent access to the transportation system.

Finally, any regulation that remains in effect should be open, accessible and economical in time and money.

Let us now look at what has happened. First, the two basic laws, the 1987 National Transportation Act and the Motor Vehicle Transport Act, have been in place for over four years. Transport Canada and the National Transportation Agency are following events closely.

One concern raised in the debate on the new National Transportation Act was that regulatory controls were needed to ensure adequate service. So far, everything indicates that the markets are mature enough and strong enough to benefit from increased competition.

In air transport, for example, there is strong competition, not only on the long-haul domestic markets but also in all regions of Canada, with the result that the frequency of service has increased.

The reform of economic regulations has made it possible to better adjust the size of aircraft to passenger demand on short hauls and for services to small communities.

• (1610)

The greater number of flights and the better service that turbo-prop aircraft operators can therefore provide to travellers have dissipated the fears of a loss of services by jet airplanes.

These services are expanding in the north, where some regulations were maintained to protect already established airline companies, as well as vulnerable markets. Also, the legislation gives the authority to ensure essential air services. So far, it has not been necessary to use this safety device.

As regards the railroad industry, shippers and carriers work jointly. More innovative services are offered, as was hoped when we introduced this legislation.

The confidential contracts have proven to be very effective and popular marketing tools.

As you know, the interprovincial trucking business remains a provincial jurisdiction. As expected, achieving uniformity at the national level proved to be a challenge. However, the system works and truckers get some relief as regards regulations, which translates into savings of time and money. This situation is also beneficial to shippers, since they have access to a wider choice of carriers and services.

The reform also included the marine sector. The provisions of the Shipping Conferences Exemption Act of 1987 protect the public interest while also promoting greater competition.

I also want to mention an important reform regarding transport and handicapped people. Thanks to the co-operation of all members, Bill C-131 was passed on July 7, 1988. Those amendments to the National Transportation Act enabled us to determine and implement accessibility standards for every mode, something which was not previously possible.

Our objective is to ensure that handicapped people can use means of transportation that meet their needs while preserving their dignity. It goes without saying that the new economic legislation will not bring about a slacking off of the government controls regarding safety. The new National Transportation Act puts safety among its top priorities; in fact, safety is the main reason justifying the existence of the Department of Transport. I might add that numerous initiatives were undertaken in recent years to ensure and improve safety for every transport mode in Canada.

The measures that we have taken, as well as the global changes to the act are part of the gradual transformation that our transport network has been undergoing for numerous years.

Before Confederation, transport was a real challenge in all our regions. A vast uneven territory needed some links. Our original needs were met with the construction of a transcontinental railroad, which was the dream of Sir John Alexander Macdonald. Then, there was the St. Lawrence Seaway in 1959 and the Trans-Canada Highway in 1962 which both contributed tremendously to economic expansion and transports in our country. Our airline companies and our communication networks are expanding, thereby bringing the regions closer, to the point that we are now all neighbours within a great nation.

The transport modes will continue to play an essential part in the years leading to the next century. The transport network of the future will have to meet five fundamental criteria: (1) it will be safe; (2) it will be accessible to all travellers, including handicapped people; (3) it will be efficient and effective in the sense that it will represent the most judicious use of each transport mode: the aircraft, the railway, the automobile, the truck and the bus; (4) it will meet the needs of shippers and travellers; (5) it will be innovative, both in terms of use of technology as well as provision of services.

In conclusion, our new regulation policy has promoted a climate of competition which has benefited our country. In this fast-changing global village that is today's world, Canadians cannot act like ostriches and bury their heads in the sand, hoping that memories will drive away today's realities. That is why our government has given Canadians the means to take advantage of new opportunities and to face the challenges ahead.

[*English*]

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I want to begin by saying that I do not much like people who say: "I told you so". I am going to say it anyway. I told you so.

Not only I, but dozens of others, knowledgeable experts nationally and internationally in transportation, warned the Conservative government and the previous Liberal government repeatedly about the problems they would face bringing in deregulation. Neither the present government nor its predecessor listened.

When the transport committee was holding hearings for about a year and a half on the white paper called "Freedom to Move", which really meant deregulation, I said that the government was going to kill some more people. It has.

I served for 21 years continuously on the transport committee. I have 15 years experience on Canadian Pacific Railway. I know a little bit about it, but I sure as heck am not an expert.

My problem, in those 21 years on the transport committee, was being continually surrounded by amateurs who did not know one end of a boxcar from the other. My hon. friend, the Solicitor General, whom I like very much, I must rank among those who did not know the difference.

Transport was the largest department in the government the last time I checked. If it is not now, it is in the top three. Here is the kind of attention and priority this government since 1984 and the previous Liberal government gave to that department.

We have had 13 transport ministers in the past 24 years. There were six Tories in eight years and seven Liberals in 15 years. They served anywhere from one month to 44 months. The one with the record of 44 months was the unlamented Otto Lang, who started all this. They are fine people. I like them individually and there is nothing personal about this.

They were amateurs, they were in a department in which they were not the slightest bit interested. It was not their cup of tea but they had no choice but to do whatever the officials of the department said because they did not know any better.

We have had seven or eight Ministers of State for Transport. They were supposed to relieve and take some of the huge load off the backs of the Ministers of Transport. None was any help.

Going through and recalling what occurred when the transport committee held those hearings on *Freedom to Move*, and thinking of the witnesses who appeared, it was obvious then that the new Conservative government was on an ideological binge that the bottom line syndrome, deregulated transportation, competition and so-called free enterprise would be the priority, the guiding policy of the government.

• (1620)

We in the NDP, and before that the CCF, are accused of being ideologues. When it comes to ideology, we were amateurs compared to these birds.

When one looks at trucking, it is a jungle out there. There are thirteen jurisdictions with different regulations and rules. Under our Constitution, interprovincial and international trucking are under the jurisdiction of the national government. It vacated it and turned it over to the provinces and territories. When it brought in deregulation, it was warned and told not to do so until it had some co-ordination and identical rules and regulations regarding safety, load limits, speed limits, whatever, jointly arrived at by the provinces, territories and the national government. Some efforts have been made but most of it still has not happened.

Regarding the railroads, the most efficient and environmentally friendly mode of transportation, the government is doing all it can to abandon railway lines. We particularly noticed this in western Canada, although I note it is now happening to a large degree in Ontario and Quebec over the last couple of years.

Grain has to be trucked further because of the abandoned branch lines in the prairie provinces. It means that you have to have larger trucks. One hundred cars of grain will move as much grain as three to four hundred trucks. The beauty of the ideological binge the government is on is that the railroads get out from undermaintaining and improving railway branch lines. The government gets out of its responsibility of making them run a good railroad, and the costs are shifted to the provinces and the municipalities.

There are the airlines. I want to point out two of the witnesses who appeared before the committee when we dealt with the white paper and with legislation. We had difficulty getting one of them accepted by the committee as a witness on his own. He appeared as a member of another delegation. I refer to one John Nance, and I invite my colleagues to read his book. Mr. Nance is a commercial airline pilot, a recognized national and international expert. He was on television the other night as a result of the New York incident. He sure is no socialist but he warned, pleaded with and begged us not to bring in deregulation until we have everything in place necessary to keep safe, efficient and properly maintained and equipped airlines and staff.

He urged us not to make the same mistake that was made in the United States. We have to have in place a sufficient number of air traffic controllers and back-up controller staff. We have to have in place a sufficient number of civil aircraft inspectors. We have to have in place increased training of air traffic controllers and civilian aircraft inspectors. It takes several years to become either one of those. They are high-stress jobs. Some of them do not last long. They have to be replaced fairly frequently. He told us that.

Then the immediate past president, head of the Federal Aviation Administration in the United States, the governing body of airlines down there, the regulatory body similar to our CTC, said the same thing. He urged us not to make the mistakes that the United States made by deregulating too quickly before government, airlines, airports and regulators were ready and prepared for it. We got the same message from him. Again, the government would not listen and chose not to believe him.

The figures the Minister of Transport cited were the statistics for all aircraft movements. He did not tell about just the commercial airlines. The figures are abysmal. The figures prove that deregulation has harmed safety in the air and among commercial aircraft in Canada.

To some people who have not learned anything since, the theory was, and with some it still is, that deregulation would increase competition, would lower fares and give a better deal for the consuming public. What has happened? It is so ridiculous it is laughable.

I have a list here of 39 carriers in the United States. Of those 39, 10 are bankrupt, some pretty large ones too. Eastern Airlines, for example, which used to be one of the largest, went belly-up. There were 17 takeovers by the present existing airlines and 1 merger. Out of those 39, 10 are still operating. So much for increased competition.

Then we come to Canada. Prior to deregulation we had four regional carriers, medium-sized airline operations. A couple of them were doing okay. One was borderline, one was having troubles. We had Air Canada, Canadian Pacific and Wardair.

Max Ward was one of those who appeared before the committee more than once. He is a nice guy. He even gave me a ride in his limousine back to the hotel after a hearing one night when we had a knock down, drag 'em out argument. Max said to us: "Leave me alone. I don't want any subsidies. I don't need all these regulations. All I want to do is operate my charter airline. I'm not interested in domestic routes." Within a year or so of deregulation, who was down in Ottawa pleading and begging for domestic routes? Max Ward, that great entrepreneur of the international charter airlines.

I do not know that Max was hurt all that much personally, but we know what happened to Wardair. It was sort of taken over. I doubt if it got its money, its market value. Canadian Airlines International Ltd. acquired Wardair in 1989.

To go back to 1983, Pacific Western took over Time Air. In 1984, CP Air acquired Eastern Provincial Airways. Innocan Inc. acquired Nordair. A year or so later, Innocan, which had acquired Nordair, was taken over. In 1985, Air Canada and Pacific Western each acquired 24.5 per cent of Air Ontario. So much for competition. Canadian Pacific helped establish Nordair Metro. So much for some more competition. Nordair Metro acquired Quebecair. Talk about banditry. Bank robbers are amateurs.

• (1630)

In 1986 Air Canada acquired 49 per cent of Air Nova. There went some more competition. PWA in 1987 acquired CP Air for $300 million. It was great for the CP Limited shareholders but did not do much for increased competition due to deregulation.

The more one goes through this you do not know whether to break into hysterical laughter or throw up.

In 1988 Air Canada acquired 90 per cent of Northwest Territorial Airlines. Now it is into the territories. In 1990 Air Canada was reported to have outbid TWA to acquire Air Toronto, a commuter carrier to some U.S. cities. This sale was not completed by the end of May 1990 but I think it has been since.

What happened? We have two airlines that acquired several other outfits that were jerkwater, fly-by-night, two-bit operations. They are now called Canadian Airlines' partners and Air Canada's partners. Some partners. All those partners can do is take over the short haul, small numbers routes at the orders of Canadian or Air Canada.

Some of the flights out of the smaller and medium-sized cities in Canada, and I use as an example my city of Regina, are the short-haul routes: Regina-Saskatoon-Edmonton-Calgary-Winnipeg. The planes are not held together with chewing gum and rubber bands but they are propeller driven and might go 280 to 300 nautical miles per hour. It is a lesser service. But under deregulation we are supposed to get better service. This is a lesser service.

As we predicted and as the government was warned during their white paper discussions, it would mean lesser and poorer service to the small and middle sized cities in Canada. The government conveniently ignored that and forgot that there is more to Canada than Montreal, Toronto, Halifax and Vancouver.

If the government is really serious about safety being its number one priority, and we have heard that from every one of the 13 ministers of transport we have had in 24 years, that is less than two years each. One of them, the hon. member for Vegreville, a good buddy who sat on the committee with me for a number of years, only served nine months one period, just barely the gestation period. But if it is deadly serious, why does the government not fill the 70 vacant safety inspector positions, as pointed out by the aircraft operations group which represents the 500 civil aviation inspectors who work for Transport Canada and the Transportation Safety Board? Seventy unfilled positions for inspectors. Why did the Minister of Transport not announce yesterday those positions were being filled?

Remember a couple of years ago the government brought 40-some air traffic controllers who had been fired in the United States to Canada, gave them a refresher course and put them to work because we were desperate for air traffic controllers. If it is deadly serious, it will hire, train and put to work the dozens more air traffic controllers that we desperately need.

Deregulation has been a disaster. It will continue to be so until we re-regulate and enforce what is required to keep our civil air traffic safer than it is now.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am always amazed at the amount of knowledge that my colleague, the member for Regina—Lumsden, has about transportation. With very few notes he is able to remind us of a number of things that people have said and done over not just the deregulation debate of the last six to eight years, but for a greater period of time.

I say that by way of a preamble because I want to ask him about statements made by the head of Canadian Airlines, Rhys Eyton, when he promised that when Wardair was taken over it would continue to operate as Wardair. It would not be gobbled up, it would not become part of Canadian Airlines.

I am going to ask my colleague for his interpretation of the words of that same individual today, when he says that American Airlines buying 25 per cent of Canadian will allow Canadian to operate independently, that Canadian will not be gobbled up in any way by American Airlines. I am wondering if he could pass on his wisdom of those kinds of statements in terms of the reality of them.

Mr. Benjamin: Mr. Speaker, I thank my hon. friend. One thing I can say about chief executive officers not only of airlines, but also of many other corporations which appeared before the transport committee in my years, is that most of them to make a buck would run over their own mothers if they had to.

Nobody believed Rhys Eyton concerning Wardair, but that was the pitch he made to the government and that was the pitch he made to the CTC and he got away with it. All of Max Ward's charter routes were long gone before very long.

As far as I am concerned and the position of the New Democratic Party is concerned, what is required is for Air Canada and Canadian Airlines to merge and let the transport commission carry out its duties as the enforcer and regulator and guardian of consumers' rights.

Instead of that, we have Mr. Eyton now crawling on his hands and knees to American Airlines, which you can bet will get 25 per cent ownership of Canadian Airlines. I will make a little prediction. I hope I turn out to be wrong, but in the life of this Parliament, before the next election, this government will allow a foreign airline to take up to 50 per cent ownership of a Canadian airline. Do you want to bet, Mr. Speaker? Does anybody over there want to? It is in the cards. I do not believe Mr. Rhys Eyton when he says this will not affect Canadian's operation. Baloney.

American Airlines will end up running Canadian's entire maintenance operations, the allocation of its aircraft, the routes it will or will not go on internationally and Canadian will not have any choice but to say: "Aye, aye, ready". That is why Canadian Airlines should merge with Air Canada.

Countries like Germany, Italy, France, Great Britain, the Scandinavian countries, and I could list some more, decided decades ago—and by the way, all of them have populations anywhere from twice to five times ours, a market of 400 to 500 million people just in Europe alone, eastern and western Europe—they could not afford the luxury of more than one national airline. Canada is trying to copy the great U.S. of A. We have lots of geography, lots of climate, not too many people. The only way we are going to operate more than one airline nationally and make money is by increasing fares by half again.

• (1640)

When I was first elected to Parliament, the round-trip economy fare, Regina to Ottawa was $126. Now the round trip regular economy fare is just about $1,000.

If anything proves that deregulation does not work, if anything proves that this country cannot afford a multiplicity of jerkwater, fly-by-night, overnight airlines, the experience of the last eight years should be enough. Surely a brick wall does not have to fall on the government, but I am afraid it will have to, and that brick wall will be called an election.

Mr. Pat Sobeski (Cambridge): Mr. Speaker, I would like to thank the member for Regina—Lumsden for going through an exercise, certainly he has years and years of experience on the transport committee. I enjoyed his presentation, which in the beginning talked about the concern of starting with three nationals and four regionals, and the concern of coming down to two, and then his recommendation to bring it down to one. So I will have to examine *Hansard* tomorrow to follow the logic of that particular argument.

Let me say at the outset that Canada's aviation safety record is among the best in the world. A major accident, any accident, serves to remind us that aviation losses are unacceptable to the public and to any government. All Canadians grieve for the survivors and families of the victims of the tragic crash at Dryden. We are grateful to Judge Virgil Moshansky and the members of the commission for their tireless hard work and dedication in preparing the report that was released last week.

Now that the report has been released, Transport Canada has initiated a thorough, top priority examination of each of its recommendations. The report contained 191 recommendations, of which 35 have already been implemented by Transport Canada. There are 58 recommendations with which the department agrees and for which action is under way.

Seventy-three of the recommendations have been referred to the government-industry implementation team and the remaining 25 which deal broadly with legislation, the Transportation Safety Board and Transport Canada, are under review by the government.

Aviation safety is a product of a partnership of industry, government, unions and passengers. The work of the commission of inquiry has underscored the need for sustaining and strengthening these partnerships to ensure Canadian skies are safe.

Justice Moshansky's investigation is notable not only as an exhaustive study, but also as a constructive analysis which has contributed to our ongoing efforts to maintain and enhance aviation safety in this country. This report is not just a document to be taken under advisement; it is something that must be acted upon and Transport Canada is doing that.

The department's commitment has already been demonstrated by its actions in response to the 17 recommendations contained in the commission's two interim reports. These include key recommendations concerning the clean wing concept and new regulations governing the inspection of aircraft for the presence of ice, snow or frost. The Department of Transport is continually reviewing all aspects of its aviation safety operations and taking corrective action to ensure the system's safety. In 1987 the new National Transportation Act was passed to ease economic regulation of the transportation industry,

but I would like to assure this House that safety was not deregulated and air safety had not been compromised.

Since 1981 statistics compiled and released by the Transportation Safety Board show that there has been a 35 per cent decrease in aviation accidents. As the demand for efficient, affordable transportation continues to grow, transportation safety remains the top priority at Transport Canada.

Each year the department devotes a great deal of time, energy and resources to maintain and improve the safety of Canada's national transportation system. This commitment is especially important with respect to aviation. The department remains responsive and diligent in ensuring aviation safety. As I have said, aviation safety is a shared responsibility. Everyone involved in aviation has that responsibility: the aircraft designers, the builders, the technicians, engineers, the pilots, flight attendants, air traffic controllers, the regulators, executive and administrators. All have a direct professional and personal interest in aviation safety. This requires that all participants work together to promote safe operating practices in all aviation activities.

Transport Canada is responsible for the following: to develop and ensure effective safety regulations; to develop and operate air navigation and air traffic control systems; for promoting the use of practices which exceed the regulated standards; and finally, working together with other agencies to monitor the performance of air traffic networks and identify areas where safety can be improved.

Transport Canada also sets out the rules and safety standards for operating aircraft in Canada. It licenses pilots, commercial operators, flying schools, airports, aircraft, aircraft manufacturers and maintenance personnel. These safety standards are upheld through regular inspections of aircraft and safety audits of companies.

The foundation of Canada's aeronautics legislation is the Aeronautics Act which was substantially amended in 1985 following several years of analysis and public consultation. The amendments to the act not only introduced the most progressive aviation safety legislation in Canada, they enabled Transport Canada to better maintain a consistent watch over aeronautical activities.

The Aeronautics Act has just been amended again to further strengthen and improve safety regulations, including a provision for the introduction of urgent safety regulations in a more timely manner.

Transport Canada monitors the performance of the air transportation network and identifies areas where safety can be improved. The department also constantly monitors the air traffic control system.

Since economic regulatory reform was introduced five years ago, Transport Canada has undertaken many safety related initiatives. First, the $800 million radar modernization project, which is nearing completion, will provide the entire air traffic control radar surveillance system.

Second, the $660 million Canadian automated air traffic system called CAATS, which will be completed by 1995, will provide pilots and controllers with improved control capabilities.

Third, the air traffic controller training capacity has been doubled at the Transport Canada training institute. The nation-wide complement of air traffic controllers will be fully met by 1994. The current level is 90 per cent of the requirement of 2,200 controllers.

Fourth, the new air traffic flow management programs are ensuring traffic volumes are kept at manageable levels in air space around our busiest airports in Toronto, Vancouver, Winnipeg, and Montreal.

A new aeronautics code is being implemented. It deals with standard operating procedures for air carriers, restraint systems for flight attendants and carry-on baggage limitations, among others. Mr. Speaker, I do not know if you get frustrated, but sometimes I am amazed that some passengers seem to have eight arms when they are carrying on some of their luggage.

• (1650)

A special project has also been established to explore and participate in discussions with the Federal Aviation Administration and the joint aviation authorities of Europe to harmonize aviation rules.

Transport Canada Aviation was also reconstructed in 1991 to provide one focal point for the management of aviation related matters in each of the six regions. Also, a government industry task force on air carrier inspections was established in the fall of last year to review and recommend improvements in the manner in which audits, inspections and the general surveillance of the aviation industry is conducted. Finally, inspector training for air carrier audits has also been improved.

These are just some of the measures Transport Canada has taken to ensure safe air transportation in Canada.

I spoke earlier of shared responsibility for air safety. Air carriers are, of course, responsible for ensuring the safe operation of their aircraft at all times. Where icing conditions exist, regulations require a mandatory pre-flight inspection of an aircraft. Transport Canada has developed a mandatory surface contamination training package which all commercial air carriers must provide to personnel involved in flight operations. In addition, air carriers must have approved training programs for both flight and ground personnel in not only de-icing but also anti-icing procedures.

To ensure that pilots understand the implications of wing contamination, Transport Canada amended the air regulations and air navigation orders in November 1990 to prohibit the take-off of an airplane unless its critical surfaces are free of frost, ice or snow. The amendments also require that flight crews receive annual training on the effects of surface contamination on their aircraft.

In 1987, Transport Canada developed a new national company information system, a computerized system that documents air carrier information and tracks critical activity to strengthen Transport Canada's aviation auditing capabilities. To streamline and standardize its audit procedures, Transport Canada also undertook in December 1991 an extensive review of its audit procedures and has published a manual of regulatory audits which addresses all the shortcomings identified by the commission of inquiry.

Transport Canada and the airlines have agreed in principle on a centralized de-icing facility at Pearson International Airport. Work is progressing on technical and environmental approvals. In most cases, air carriers apply de-icing or anti-icing fluids before the aircraft departs for the runway. In severe conditions, if there is a delay between the time the aircraft is de-iced and the time the aircraft is given final clearance for take-off, the effects of the de-icing fluids may deteriorate rapidly. As a result, Transport Canada has implemented gate-hold procedures at Pearson where heavy traffic may cause unacceptable departure delays. Under these procedures, aircraft are held at the gate until a firm take-off time is assigned, ensuring take-off directly following de-icing. Delays between de-icing and take-off will virtually be eliminated by a new dedicated de-icing facility to be constructed at Pearson.

I would like to take my final moments to point out some of the important facts about Transport Canada's inspections and audit procedures.

Transport Canada carries out a number of activities to ensure that aviation companies comply with aviation regulation standards. Aviation regulation inspectors maintain ongoing surveillance of the aviation community on a regular basis. Monitoring activities are often carried out in conjunction with such activities as pilot proficiency checks, in-flight inspections and ramp checks.

In addition to routine monitoring activities, officials carry out detailed inspection of specific aspects of a company's operation as well as comprehensive company audits at regularly scheduled interviews.

I am sure all hon. members are aware of the important work, the crucial work, carried out by inspectors. This work force has increased since deregulation. The number of air carrier inspectors has increased by an average of 6 per cent per year and air worthiness staff has increased by 4 per cent during each of the past five years.

I would like to point out another initiative undertaken by Transport Canada, the Annual Canadian Aviation Safety Seminar, which brings together representatives from across this industry. This year's seminar began yesterday and is being attended by 200 aviation safety specialists from all areas of the industry. The seminar will permit exchange and discussion on ways to improve air safety. In fact, this year's theme is: Maintaining aviation safety in an era of declining revenues.

The number of safety officers has also been increased and additional modules have been provided for the successful Company Aviation Safety Program and Pilot Decision Making Program which were created in response to client-industry demand. As regulators ensuring aviation safety, Transport Canada has made far reaching changes within the industry and has been responsive and responsible to the recommendations of the commission of inquiry.

On the critical issue of de-icing in general and in particular related safety measures, Transport Canada has acted quickly and positively. The department has made clear its commitment to ensuring that the Canadian aviation industry is as informed and diligent as it can be in this crucial area of performance.

I believe that Transport Canada is fully able to provide the Canadian traveller with one of the safest and most efficient air transportation systems in the world.

In conclusion, the Minister of Transport has stated that he is firmly committed to keeping the public fully informed of all actions and plans in response to the recommendations contained in the final commission of inquiry report. The Minister of Transport will be issuing a progress report in six months' time.

This government has an ongoing commitment to making whatever improvements and adjustments are necessary to ensure that a national aviation system is as safe as it possibly can be.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, virtually everything the member who has just spoken has said seems to deny one of the fundamental issues identified by Justice Moshansky after years of investigation, innumerable witnesses and three volumes of report.

What he denies essentially is that a large part of the problem, the risk to safety, arises from a shortage of staff and a shortage of resources. The report is simply riddled with quotes like "excessive workloads", "thrown to the wolves without adequate training", "experienced inspectors leaving because they are not being adequately paid".

We have a series of eight different reports saying that we do not have the resources. We do not have the people to carry out the mandate of the Transport Department. We need new resources. We need more people. We need better training.

We have in some areas related directly to safety an increase in workload of 400 times. I think it is important to quote directly from the transcript of the hearings. When an official raised the problem of shortage of staff to carry out the regulations and to carry out the mandate for public safety, the commissioner inquired: "What response were you getting from your superiors?" "Other than losing a person-year, no response". "What were the reasons? What was your understanding?" Answer: "We were downsizing." "You were what? You were downsizing?" "Downsizing." "In staff?" "Yes, Sir". "In effect, you were asking for more inspectors, but in fact, they were taking inspector positions away from you." "Yes".

"What about your workload? Were they reallocating your workload or requesting you to do less work?" "No." "What was happening?" "We were being asked to do more with less."

That is the litany of this government, in Health and Welfare Canada, in marine safety, in ground safety throughout the Department of Transport, in customs inspections, in the inspection of new chemicals in agriculture, in the inspection of new drugs.

• (1700)

I ask the hon. member who with me has spent the last few weeks looking at the future health of the Public Service, will his government admit the essential problem here is lack of personnel to carry out the directions and the laws of Parliament? Will he read this report? Will he admit that? Can we hear something other than denial of the fundamental problem here?

Mr. Sobeski: Mr. Speaker, I have to go back to my opening statement in my presentation that Canada is among the best in the world for safety records.

I stated the number of aircraft inspectors has increased and air worthiness staff has increased by some 6 per cent and 4 per cent respectively over the years. I do not think the member is saying that because there is a vacancy let us immediately fill it with a warm body. There is an expectation from not only parliamentarians but also from passengers and people in the industry that a professional level of service has to be provided.

Again, hon. members opposite say that the government has not responded in a comprehensive way to the work of the inquiry. I mentioned earlier the recommendations of the interim report. We have seen some 49 per cent of the recommendations in this report responded to.

The thing we are discovering not only with Transport Canada but also in the bill that the hon. member and I are spending a lot of time on now is that we are talking about a partnership, working together and everyone has to share in those responsibilities. We are progressing in the right direction.

Whether we are talking about the Public Service or about air transportation safety, the Canadian record is among the best in the world. We all acknowledge that we want to improve on being the best. We will continue to operate in that direction.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I listened very carefully to the hon. member's speech. Although he says that perhaps we should not fill a position right away, is he aware of the very huge increase in movement in the air of the very large numbers of smaller planes and that would require a lot more personnel to inspect each and every one of them?

Is the hon. member saying that a very small increase in the personnel is capable of keeping these aircraft in top condition and of making sure that everything is running properly?

I give an example. For Sudbury, Ontario, there was an increase of 171 per cent in the numbers of turbo-planes flying in and out of Sudbury. That is a very large increase in numbers of flights. Even though it is a smaller plane, there are more of them to keep that steady level of traffic going. We cannot service that large number of planes with the same number of personnel. I ask the hon. member, does he think we can?

Mr. Sobeski: Mr. Speaker, I appreciate the question from the hon. member for Sudbury. The question is related in a generic sense to the number of planes. If we were dealing in 1920 where it is a manpower issue, I would have to agree with the member.

However, this is the 1990s. I just did a tour out west where it is now computer assisted to help with the volumes of work that air traffic controllers must handle. Inspection techniques have improved. The equipment that professionals have has improved.

The member is quite right. I do not doubt her numbers about the increased number of movements in the air. I know that my colleague from Hamilton will also agree that indeed the professionalism and the quality of the inspectors' work is enhanced by the equipment they have. They recognize that. That is why we have added as we get the trained staff and we are just not going to fill it up with warm bodies.

I just want to assure the members that this government will not and has not compromised safety.

I would also like to remind the hon. members opposite that Judge Moshansky's assessment about the safety of our system today was that it was one of the safest aviation systems in the world.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, I am more than anxious to participate in the debate today. Just to remind the House, the debate today is on an opposition day motion. It reads:

> That this House condemns the government for its unwillingness to concede that the deregulation of the Canadian transport industry has been a failure and in fact has led to fewer carriers, fewer jobs, higher prices, reduced service and less safe operations in air, road and rail transportation.

Canadians who are following the debate today and in particular who have followed the speeches of members on the government side of the House have to realize that this is an important debate. What is important and what is frightening about the debate is that nothing has changed in seven or eight years.

A great many members in the House today have been here since the 1988 election; some came after the 1984 election. Some members will recall the debates about deregulation in Canada from first-hand experience and some will not.

Some have done their homework and will realize that the discussion we are having today about safety in the airline industry, as great a report as the Moshansky report is on the Dryden crash, does not flow, does not find its beginning, does not originate with the Moshansky report. The millions of dollars, the thousands of hours of testimony that gave rise to the Moshansky report do not contain within them the origin of the discussion in Canada and in this House about safety in the airline industry.

I had the privilege, as did other members of this House, of being a transport critic once upon a time for my party. At first I was an associate transport critic and then the transport critic when deregulation of the airline industry took place.

I can tell you, Madam Speaker, and you will recall because you were here in those years, that there was a heck of a debate, both in the Standing Committee on Transport, on the floor of the House of Commons and in the forum of Question Period about safety.

With all due respect to Judge Moshansky, there is absolutely almost nothing in this report that was not raised by members of the opposition, by members of the Canadian Airline Pilots Association, by members of the Canadian Air Traffic Controllers Association, by personnel from Transport Canada and the safety division who came and pleaded with members of Parliament in all parties to recognize the dangers inherent in deregulating an industry, to recognize the requirement to prepare in advance for deregulation.

My colleague from Hamilton West who is now associate transport critic has given me a copy of a question on December 17, 1985 I asked the then Minister of Transport, the gentleman who is currently Deputy Prime Minister. I was joined by the members for Regina—Lumsden, Thunder Bay—Atikokan, Papineau—Saint-Michel, and many others who were asking the then Minister of Transport whether or not safety would be compromised. The Minister of Transport of the day said: "Don't worry about it. We are not deregulating safety, we are only deregulating transportation".

I recall that we asked the minister of the day whether or not he would send the Standing Committee on Transport and the appropriate critics to Washington to examine the United States experience with deregulation. They had been there, seven or eight years along at that point in the game. They had learned some lessons. We suggested that perhaps we could learn from them. What was their experience, what did they do right, what did they do wrong, what was the experience? The government refused to send us to Washington to examine the U.S. experience with deregulation.

• (1710)

So, a couple of us went on a Canada–U.S. exchange to Washington and we went to the FAA. We saw the transportation secretary and saw members of Congress associated with the congressional oversight committees responsible for transportation deregulation. We met with vice-presidents and presidents of various airlines operating in the United States in a deregulated environment. That was all done unofficially. We came back to Canada and reported on the U.S. experience.

I have in my hand a copy of the *Debates* in the House of Commons dated January 29, 1986, when we reported to the government. They were not the views of the Liberal Party or the NDP or the union or the air traffic controllers or the pilots association. They were the views of Congress, of the Federal Aviation Administration, of senior executives of the U.S. airline industry that deregulation in the United States had been brought about without proper preparation.

They warned us then, in 1986, that the single most important thing we had to do was train sufficient air traffic controllers and put in place sufficient inspectors to keep the industry safe. That is what they told us and that is what we reported to the government.

Even then as we reported to the government that information from south of the border, this government was laying off air traffic controllers at Pearson International Airport.

So, I am sorry. I do not feel very generous today in participating in this debate. I do not accept the bland assurances, typewritten, drafted, crafted by somebody else for the member opposite by some bureaucrat that all is well in the world. "We can be assured this government would never compromise safety." That is what the government told us in 1985. That is what the government told us in 1986. That is what the government answered when we came back from Washington in 1986, that this government would never compromise safety.

But the same government, including the member on the backbench who just spoke, told us that the government would never compromise safety, would never put the lives and limbs of Canadians at risk, in the words of Justice Moshansky in a royal commission report, bought and paid for with taxpayer dollars which cannot be

written off, ignored and pretended it never happened, judged harshly this government.

It was not Brian Tobin from Humber—St. Barbe—Baie Verte, not an NDP opposition critic, not a union member, not a member of the Canadian Airline Pilots Association, not an air traffic controller, not a concerned citizen. Justice Moshansky said that is exactly what the government did. The government compromised safety.

The government was saying in the House of Commons in answer to me in 1985, it answered to me and to others in 1986 that safety was not compromised. That was the answer up front. Even as it gave those commitments up front in this House, it was back in the shop laying off air traffic controllers. That is the fact.

Nothing has changed. We still get a statement today from the minister, not from an opposition member, not a union member, not a reporter, not a journalist. The minister rejects Justice Moshansky. He dismisses it like the snow in spring. It melts away in front of him, all of the hours of work, all of the blood, sweat and tears and testimony of all of those involved, including some survivors of the crash. It is rejected out of hand.

Mr. Sobeski: You rejected it.

Mr. Tobin: We did not compromise safety. And the member opposite blindly stands up and says: "We have never compromised safety".

I never rejected Justice Moshansky's report. The member should be very clear. The member should take this matter seriously. What I said was that we did not need to wait for a crash. We did not need to wait for the loss of lives. We did not need to wait for a royal commission to act. In 1986, well in advance of the report of 1992, those questions were being raised and false assurances were being given. No action was taken.

I say to members opposite that this is a serious matter. I say to members opposite that there is no tangible indication that anything has substantively changed. That is what Justice Moshansky tells us as well.

Take the airline industry, for example. Today two carriers are engaged, and we may as well call it exactly what it is, in a corporate fight to the death. These two Canadian carriers, let us be honest, are in a corporate fight to the death. All of the seat sales, all of the promotions, all of the little chances to win a bonus, an executive upgrade, a free trip, a free holiday, all of these promotions are part of a corporate fight to the death. Two Canadian carriers have decided that by competitive means only one carrier shall survive. That is what is going on today. As part and parcel of that corporate battle, both carriers are looking at the possibility of finding new American partners, a minority sharehold position that can only go, by law, up to 25 per cent as prescribed in the National Transportation Act, but could result in control.

It is against that backdrop and that environment of a corporate war, the possibility of mergers with American carriers and frankly, with an American corporate culture, that we are having this debate.

I do not care who hears me. I have no hesitation in saying that the Canadian airline industry today, in my judgment, and the corporate culture that engenders the industry today is far superior to the corporate culture that engenders the American industry. The American industry has been floating in debt for so long that it is no longer run by airline industry people. It has been run by the bankers for a heck of a long time. In the United States, they are operating just at the margins provided by the FAA.

It used to be the American industry. If we can picture an invisible line here that is the limit below which you cannot go in terms of safety margins. The American industry used to operate up here, but as deregulation came in, the industry began to operate right at the margin, right at the lowest allowable limit. That is what happened. That is the experience south of the border.

What happened in Canada as well is that we also began moving down toward the safety margin. The trick in any industry is not to operate at the lowest minimum standard. It is to be above it. For every degree you are above it, that is an assurance that you are operating safely. That was the traditional culture in the airline industry. That culture has changed. It is not airline people anymore determining when you push off the gate and take off. It is the banks because they own the carriers. It is because they are awash in debt south of the border and they are awash in debt here in Canada as well.

The corporate pressure, the competitive pressures, the deregulated environment that gave rise to the tragedy at Dryden, which gave rise to this report has not lessened; it has increased. The need to make the industry safe is greater now than it was four or five years ago.

You can only begin to deal with the problem when you first recognize that one exists. What is frightening today is to see the government continue to say in a rather bland fashion, no substance whatsoever: "It is safe. You can trust me. We would never allow the industry to operate in a risky fashion".

I accept that no human being consciously—not one on that side of the House, not one minister, not one member—puts another human being at risk. I accept that. I do not believe there is one member over there who would do that consciously. But I recognize as well that if members opposite find themselves on their knees before an ideology, before the altar of so-called unfettered capitalism, if they get blinded by this notion that totally unshackled, unregulated enterprise always provides the best level of service to our society, that in their adoration before that ideology they have lost sight of the need to serve people.

• (1720)

When you judge what has happened with deregulation in Canada against what was promised as the benefits, deregulation has indeed failed. What were we promised? We were promised we would have a more competitive airline industry. Before deregulation came out, let me remind members, we had EPA as an eastern carrier, we had a Quebec-based carrier, we had Air Ontario as an Ontario-based secondary regional carrier, we had a whole variety starting out with Air B.C. Northwest Territories had their own Northwest Air. There was a whole variety of regional carriers all across Canada, some of which had agreements in terms of marketing, in terms of delivering passengers to and fro, in terms of sharing various services at airports. We had a whole variety of regional carriers, all aspiring to expand their base in a partially regulated environment. There were two major carriers, Air Canada and CP, going at it.

What happened after deregulation? Did we get more competition as promised? We ended up with every single one of the regional carriers being swallowed up and aligned either with Canadian or Air Canada. Wardair disappeared. EPA disappeared. Quebec Air disappeared. All of these regional small carriers as independent entities disappeared and we ended up with a duopoly in Canada. We ended up with a lot less competition.

We were promised lower air fares. Now there is one for those people who live on the fringe of the country, lower air fares. If you live in a competitive market, such as flying between Toronto and Miami, I suppose you might have got a lower air fare out of deregulation. But if you live where I was last week in Rankin Inlet, you did not get lower air fares. You got practically a prison term in terms of your economic ability to be able to fly in and out of your community.

If you live, as I do, in the area I represent in western Newfoundland, in Deer Lake, if you live in Goose Bay, Prince Rupert, Prince George, Smithers, Prince Albert, if you live in what was known as Chimo in northern Quebec, or Iqaluit in Northwest Territories, northern Ontario, Regina or Saskatoon—let us get some bigger cities in here—check out the air fares. They have not gone down. They have dramatically gone up.

It used to be that we took the high-volume routes in this country. Because we licensed carriers on the basis of the stops they made, which they were compelled to make and we subsidized the far-flung regions somewhat, we cross-subsidized them from the high-volume routes. That is what we did. We gave the people who lived in the smaller centres somewhat of a break by cross-subsidizing under the heavy volume routes.

What have we done now? We have done just the opposite. Now we make people who are captive, served by only one carrier, pay whatever the airline charges. So it cost $2,000 to fly to Rankin Inlet from Ottawa and back.

Then we use the big seat sales in Ottawa between Ottawa and Florida and we cross-subsidize those with the people who live in Rankin Inlet. The ones who are captive living in the small communities pay whatever they are charged. In effect they are subsidizing people to go on holiday in Florida. That is the new corporate culture that has grabbed Canada. On the question of lower fares this is not a success. Safety, hardly a success.

Canada is not the United States. Canada has a larger land mass. We forget that huge land mass called Yukon and Northwest Territories. It is a relatively small population, less than a tenth of the United States. There are a number of things that have bound us together historically for 125 years. This is the 125th year. What are they? The post office and its little flag flying in the smallest most remote community was a symbol of our nationhood. The flag. There were some fundamental social programs, the ability to communicate with each other with telecommunications and a reasonable level of transportation, originally bands of steel from sea to sea on the railway. In latter days, the airlines allowed us, despite our vast differences and distances, to communicate with each other, to share with each other and to celebrate that diversity.

Why start withdrawing those things this year? In a few weeks Air Canada is sponsoring, with the support of the government, the opposition, the Speaker and all members of Parliament, an exchange. There will be 125 young people from every district in Canada going to another district to talk to each other because we recognize the country is hurting and we have to bring people together. Therefore, we have a special program to bring people together. We do it this year as part of the 125-year celebration of Confederation. Why would a country say it is important to do that as a special initiative, but yet in its transportation policy make that impossible in every day life?

Madam Speaker, I appreciate the opportunity for an extra minute to conclude.

I will conclude by saying to the extent that deregulation has severed one of the links that has traditionally kept this country together, to the extent that we now recognize through special initiatives that we need to reopen those links, we have to look at deregulation. We have to look at a measure of re-regulation. We have to begin to put back together the bonds that used to bind this country together. One of them is transportation. We have to undo this hastily organized deregulation that has not only put our industry at risk in terms of safety, but put our country at risk in terms of our ability to speak with and to each other.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it is a pleasure to listen to the debate today. I think some very fundamental points, not only about transportation and deregulation, but about the nature of the country are being made in this debate. I think it behoves the government of the day to listen very carefully to what is being said here.

In my maiden speech in this House in December 1988, I pointed out that having looked at the geographic area of representation, it turned out that 83 per cent of the geographic area of this country is represented by the opposition and only 17 per cent of the geographic area of this country is represented by the government. Obviously, square miles do not vote, nor do the trees or whatever.

That made it very clear to me that the whole direction the government had been on, freedom to move, free trade and so on, was seen by the regions of this country as something that was operating totally contrary to their interests and their future. We have seen this trend accelerate over the period of time I have been in this House.

If we look at government program after government program, how the government funds regional development, how it develops transportation policy, VIA Rail and so on, the post office, it is a kick to the regions of this country. If people are wondering why there is discontent in the land and why people are feeling disconnected from their country, it is precisely because of policies like those.

I would like to ask the hon. member if he sees the same scope to the dimension of what we are talking about as well?

Mr. Tobin: Madam Speaker, I thank the member for his question. I must say that I think he has given all of us something to think about. I certainly was not aware that 83 per cent of the land mass of the country is represented by opposition members and 17 per cent of the land mass is represented by government members.

Perhaps that helps us understand better why post offices have disappeared from rural Canada. Perhaps that helps us understand better why VIA Rail has disappeared from the smaller stations in this country. Perhaps that helps us understand better why some airports have not only lost jet service, but some have totally lost all service in the smaller parts of this country. Perhaps that helps us understand why the railway has not just declined but has disappeared in some parts of this country, P.E.I. and Newfoundland totally and many other branch lines across this country. Perhaps that helps us understand why in 1992 people look to their provincial premiers to be their spokespersons and no longer look, regrettably, to their national parliament.

• (1730)

Perhaps that helps us understand why people in Canada today define themselves politically by whom they are against rather than by whom they are for and define themselves philosophically by what they oppose rather than what they support. We have appealed to the negative, frustrated, angry, disenfranchised, left-out, shut-out side of our character and we have forgotten to appeal to what binds us together in this country.

I could not agree with the member more. This is not merely a matter of dollars and cents. It is a question of nation building. It is a question as to whether or not people believe at the end of the day that by virtue of citizenship there are certain things we hold in common. There are lots of thing that make us different no matter where we come from. Some of us have mountains. Some of us have prairies. Some have water and some have droughts. Some speak one language and some another. Some have booming economies and some have seasonal economies. Lots of things make us different but there are only a few things we hold in common no matter where we live. That is what pulls us together: our sense of values.

When the member says that the withdrawal of transportation services is one of those values we held in common, one of those things we thought defined us as being a Canadian no matter where we lived, no matter what our circumstance, what our language, he is absolutely right. That is the message I tried to bring to this House as often as I could. That is the message I think this government lost sight of in the pursuit of the bottom line and as it knelt before the altar of its right wing philosophy. I do not think it did it deliberately. I do not think it was by design. I do not think it was entirely by accident. It really failed to see, as the member pointed out, or perhaps forgot about 83 per cent of the land mass of the country not represented by members on that side of the House.

Madam Deputy Speaker: I understand that the hon. member for Elk Island will be sharing his time.

Mr. Brian O'Kurley (Elk Island): Madam Speaker, I wish to speak in response to the hon. member's motion that the government's economic regulatory reform of the transportation industry has been a failure. What fiction indeed. I not only take exception to this claim but find its tenor and argument to be somewhat wanting if not totally preposterous.

Since 1985 this government has taken a number of steps and many a hard decision to ensure that Canadian transportation industries could flourish in a more economically competitive and unfettered climate, liberated as it were from undue government hindrance and given the freedom to move to pursue new heights limited only by the powers of imagination, vigour and their determination.

This environment for change was not brought about by self-serving purposes. Rather it seems to benefit all who would use or rely on transportation for reasons of trade and commerce as well as personal travel or pleasure. Moreover, as business and transportation in Canada are inextricably linked and on the move, this government is scarcely going to embark on a course of action that would thwart one form of success for another.

It is precisely about success that I wish to focus my remarks today as exemplified by VIA Rail Canada, working proof of the railroad maxim: "The little engine that could". Part of the problem with VIA Rail in the late 1970s and in the 1980s was the heavy degree of government intervention in the transportation marketplace. This occurred through direct rail passenger subsidies of about 75 per cent of the cost of services. This meant some inequities for the air mode which was subsidized at a lesser level and indirectly through provision of infrastructure. It meant major inequities for the bus mode which received virtually no direct government subsidies. Moreover, the bus mode was in direct competition with a heavily subsidized VIA Rail on a number of comparable routes.

The heavy government subsidies, as well as the denial of a level playing field, offered VIA Rail no incentives to modernize or innovate, knowing that the government would pay whatever deficits occurred in passenger rail services.

Looking back, the soothsayers of doom and gloom who prophesized the inevitable fall of the sky in 1989 as a result of streamlining VIA Rail are doubtless practising their art of "poultry predictions" elsewhere today.

What remains is a leaner, more efficient and professional national passenger railway company, not to mention that awful word successful which my hon. friend fears and despises. That is not a bad record when we consider the few options the Minister of Transport had back then. Tough times required tough decisions.

This government did not abdicate its responsibility to act, nor was it afraid to take tough decisions. Instead it chose to save VIA by imbuing it with new life, mindful of considerable public cynicism and very much aware of a resurgence in passenger rail travel throughout the world replete with its safety, social and environmental benefits.

Not only does VIA's future look bright on several financial and performance score cards, but VIA is also planning with a view to the future. Once again I would say to my hon. friend that when it comes time to peek into the future much has changed since the days of Mackenzie King and the corresponding practices of the arts and wizardry.

The realities of 1990, however, are proof that the new VIA cannot only operate within the limits of available funding but can do so at even less the anticipated cost to government, and in spite of the current downturn in travel for business or leisure.

As hon. members know, VIA has been operating some 396 trains per week over 19 routes since the change took effect in January 1990. While these frequencies are down from previous levels of operation, VIA still continues to serve Canadians in all regions of the country, including several remote regions where passenger rail service is presently the only link to the outside world.

In addition, VIA has faced and survived stiff competition from the lucrative and heavily travelled airline routes in central Canada, particularly those along the Quebec City–Windsor corridor. Thus what began as an exercise to streamline certain services has ultimately resulted in today's VIA, a trend setting network operating at less expense to the taxpayer, meeting today's needs, and keeping its eye on the future.

Indeed, the newly structured VIA was deliberately focused to rethink the conduct of business for passenger rail not only within funding levels set by the federal government but, more important, to meet the challenges of increasing its passenger volume while operating in the mode of a cost effective enterprise. At the risk of sounding repetitive, VIA has been successful on both counts.

Much of this success is due in large part to VIA's own awareness of its product, image and service to the travelling public. That is to say the new consumer credo of the nineties, "service, service, service" is not lost on VIA's executive, marketing staff, or on–train personnel. Once on board this mantra becomes innovative: do more and better with corporate pride and the client in mind. Over a year has come and gone since the so–called cataclysmic collapse of VIA and it is still operating stronger than ever.

On December 16, 1991 VIA announced major increases in the frequency of service in the Montreal–Ottawa–Toronto triangle based on traffic patterns and demand. Some 22 new trains a week were added into service offering more flexible itineraries, better connections, and more opportunities for same day return travel between these cities.

One month later VIA chairman Lawrence Hanigan released a year–end report and traffic studies confirming increased ridership by 5 per cent over 1990 with revenues up by 7 per cent. With less direct subsidies, VIA was able to operate the network for $8.5 million less than originally budgeted in 1991 and by $38 million less than required from the previous year. This has all been accomplished with the use of better equipment, improved productivity, and the quality of on–board services.

Instead of abandoning transportation industries in Canada, I am pleased to report that this government has spent over $4 billion in direct operating assistance to VIA since 1984, helping the railway to move some 46 million passengers in that same period of time.

Figures such as these and a renaissance in train travel and service since VIA's newly streamlined network came into place do not qualify for, much less deserve, the unfounded and odious criticism of abandonment and neglect. Such is the woeful lament of the ill–informed and not worthy of my hon. friend, unless I misjudge him and his service to this House.

• (1740)

In closing, I would just like to borrow two little words often heard in VIA stations as my greeting to the hon. member or anyone else with fixed negative mindsets when it comes to staring reality in the face of success: all aboard.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Madam Speaker, I take pleasure in being able to participate in the debate of the following opposition day motion:

> That this House condemns the government for its unwillingness to concede that the deregulation of the Canadian transport industry has been a failure and in fact has led to fewer carriers, fewer jobs, higher prices, reduced service and less safe operations in air, road and rail transportation.

The problem with this motion, as so often is the case, is that it is stated in the extreme. It is not that there are not some problems in the transportation industry in Canada. It is not that we do not have to do some things to repair some of the areas and improve some of the areas. However, to have a motion that says it has been a failure is absurdity.

Obviously the person who has written this motion has not lived in the regions that have seen improved service as a result of deregulation. The motion reads "fewer carriers". Madam Speaker, if you were living in an outlying community 200 miles from one of the metropolitan areas and you had a choice between jet service once a day and you had to wait all day for that jet in the evening or early in the morning and be gone all day, and two or three or four turbo-prop services that same day and a choice among those carriers, which would you take?

To say that there are fewer carriers is an absurdity. All you have to do is look at the back of the airline magazine as you fly to work here to see the network of airline points that were not there a few years ago and to know that deregulation has provided more service to the communities. It just is not accurate to have this kind of a statement.

Then it goes on to say "fewer jobs". I remember machinists from the airline coming to me a few years ago saying: "Please do not support deregulation. We will lose jobs if you do that". Even logic without statistics shows that that is wrong because if there are more carriers there are going to be more jobs.

I noticed that just about a year ago in the province of British Columbia they announced there was a shortage of maintenance people in the airline industry. They wanted people to come and train in airline sheet metal work. They needed that kind of worker.

I am not saying that in other areas of the transport industry there has not been a reduction in jobs. There has been a reduction in jobs in the wood working industry. The logging industry used to hire two or three times as many people to work as it does now. There has been a reduction in jobs. In the chicken industry we used to have people shovelling out the barns and gathering eggs. It is done on conveyers now. There have been job losses in every major industry that wants to upgrade its technology.

To pick on deregulation as a sign of job loss makes the motion unbelievable. To say that there are "higher prices" and assign that to deregulation, I think everyone will concede that if you have competition you reduce prices. If one airline is competing against another airline for passenger service, or a trucker is competing against another trucker for passenger service, there is going to be a reduction in price.

I can take the member back to the days when it was regulated. I ask him to look at any financial page where the profits of companies are announced and compare the profits of companies on the free market system with those companies that are regulated by a utility commission to see which one has the higher profits. He will see Quaker Oats might have 3 or 4 per cent but the gas company regulated by the government will have 7, 8 or 9 per cent. Uniformly those that go through a public utilities commission, those commissioners always make sure that the monopoly has a better write-up of profits than the competition. To say that there are higher prices may be the case but not because of deregulation.

How about reduced service because of deregulation? I have not seen it. It would be a useful motion to debate the value of deregulation but to say that it has been a failure just cannot be supported by evidence. The motion says "less safe". The Minister of Transport mentioned in the House the other day that there are fewer accidents now per air mile than there have been in history.

Competition creates better service, better prices and better jobs. If you look at any other industry that depends on the transport industry you will know that is the fact. There are problems now. Canada has, I think, severe transportation problems but they are not problems of deregulation.

We have a problem of critical mass of population. To have a transportation industry that functions efficiently so that it can enjoy the kind of profits it needs to upgrade its equipment and so forth, we need 50 million to 60 million people. Canada does not have that critical mass in order to enjoy that kind of efficiency.

Second, the metropolitan areas where the profits are to be made are scattered and there are not the many centres close together as there are in Europe, for example, or in the United States where you have huge population centres close to each other and they can be connected more easily by rapid transit. We do have geographical problems and they make it more difficult for the transportation industry to function.

We have done some things. We have reduced taxes. If members will remember the budget of just a month ago, the capital cost allowance was reduced so that the trucking industry can function more competitively, so that the airline industry, buying equipment, can function more competitively and so the buses can do that. The cost of operation, when you can write down those costs more quickly, helps them to compete.

A lot has been done. I remember when I first campaigned to come into this House, a seasoned politician statesman in the lower mainland of B.C. was campaigning with me and he said to me: "You know, I don't know why you are doing it. Back there in Ottawa they are not going to listen to you anyway". The major problem for British Columbia was freight rates. My friend from Nanaimo remembers that. Raw materials could be brought from the west to central Canada but to bring finished products from the west into central Canada cost a lot more in order to enhance the industrial complex in central Canada.

One of the first things we did as a government was to take that disadvantage away so that the manufacturing industry in British Columbia at least would not be facing the disadvantage of a built-in bias against western industry and I am proud of that. It was because western members came to Ottawa and said: "We need freedom for movement. The industries in British Columbia deserve just as much a chance to operate competitively as those in central Canada". We levelled off the playing field in terms of the freight rates.

We still have the disadvantage of distance and the disadvantage of large metropolitan areas and it still costs a lot to bring finished products in in the quantity we need to make it as competitive as we would like to be, but we have taken a government-induced impediment out of the way and that is deregulation.

My friend from central Canada laughs. We are used to that. People from the great golden triangle here do not know what it is like to operate a business in western Canada and have freight rates that are prejudiced against you. They think that is the way it ought to be, bring your raw materials to Ontario, bring the finished products to the west. Finally, a few years ago we levelled it and made it more equitable for the people in the west.

I say that the motion, which is designed to ask us to examine freight rates and deregulation would be a useful motion if it were not so extreme, if it did not say it so dramatically.

• (1750)

Do we need to examine it? There are areas we need to examine, but to say it has been a failure when VIA Rail passenger service is up, when it is functioning, as my friend from Edmonton said just a few minutes ago. When we worked with VIA Rail two years ago, the doomsayers across the way were saying: "This is the end of Canada" and now we find that passenger service is up and they are telling us that deregulation is a failure.

Every time you introduce competition, you introduce the opportunity for success.

Mr. Andre: I would like to designate tomorrow as an allotted day,

SUPPLY

ALLOTTED DAY, S. O. 81—TRANSPORTATION

The House resumed consideration of the motion of Mr. Angus (p. 9219).

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, without getting into too much partisanship, I want to mention to the hon. member the effects of deregulation in my riding of Restigouche—Chaleur. We have an airport at Charlo, New Brunswick. It is a Transport Canada airport and it is managed by an effective and competent board of directors representing the municipalities of Dalhousie, Charlo and Campbellton.

Here are the facts. In the 1980s two airlines served that airport. One had jet service, the other had turbo-prop. We now have one turbo-prop airline. We had a weather station but it was closed by the federal government. We have a flight service station in existence right now, but that has been targeted for closure and unless the Minister of Transport designates it in some way, it will not stay open.

My concern, and the member did not address it that much, is the cost recovery. He talked about regions and about a level playing field for the west, and the east I suppose in the same breath, but how about that cost recovery? That is going to hurt the regions. For instance, the same type of plane, a turbo-prop, landing at the Charlo airport in New Brunswick would pay a higher landing fee than the same plane landing in Toronto. I say to the hon. member that is not a fair way of solving that problem.

Mr. Friesen: Madam Speaker, I noted with care that the member said at one time there was jet service and turbo-prop service and now there is only one turbo-prop service.

I would like to ask him, does he suggest that under a regulated industry, both should be kept alive by government regulation? Since the economic engine for that region has reduced it to only one turbo-prop service, presumably the additional service that used to exist must have been empty. It certainly is not a profitable picture. Would the member suggest that if the service is not needed, that government regulations should keep it going at the taxpayer's expense?

I want to quote from the Moshansky report of two weeks ago. He says:

> I want to re-emphasize that what was deregulated was the economic burden on the industry.

That is exactly what my friend across the way has just illustrated. When you have two services and you need only one, you create an economic burden. The member wants to maintain that kind of service, even though the people are not using it and even though it is going to be a tax burden.

Judge Moshansky went on to say:

> The safety regulations have remained in place and indeed have been strengthened over time.

The motion says that safety has been reduced. The most recent report, the Moshansky report, says just the opposite.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I do not want to cut into the time of the following speaker, but I would like to ask the member who has just spoken, a question.

He talked about the implications for western Canada. What he said might well be true for the metropolitan centres, as I pointed out in a previous intervention, but could the member describe to me how the deregulation has benefited his former home town of Rosthern, Saskatchewan and what in fact the impact has been due to deregulation? Where are they seeing the new opportunities as a result of the policies the member now extols?

Mr. Friesen: In answer to my friend from Prince Albert, I will tell you what I will do. I am going to Rosthern in three weeks' time. I am going there for a fund-raiser to help defeat the member in the next election and I will ask the good folks of Rosthern.

But I do know this. They have a beautiful highway that did not exist when I was last there which runs straight through from Saskatoon to Prince Albert. It was not there when I lived there in the good old days. They have a kind of service and can get to Saskatoon from Rosthern in a matter of 30 minutes. You could not do that before on the old gravel highway.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, in the few minutes remaining in the debate I want to concentrate on the last words in this motion that have to do with reduced service and less safe operations in air, road and rail transportation.

People out there listening and watching this debate do not have to take my word for it or the word of the member for Hamilton West or any of the opposition members as to why the Dryden air crash happened, and why other factors affecting the safety of the travelling public continue to fail to ensure that Canadians can be assured they are getting the best possible service and the full enforcement of regulations and laws that are designed to protect them.

The report of Judge Moshansky says it all. No matter how often members opposite deny or pretend everything is all right, this report makes it clear that over nearly eight years there were repeated warnings within Transport Canada that there simply were not enough resources to ensure the safety of the travelling public.

There was an A-base review in 1984 and the establishment of a program control board. The Canadian Airline Pilots Association in 1985 issued warnings about deregulation and the impact on safety. In March 1985 the Auditor General had similar cautions about not enough resources.

The Nielsen task force, the work of the greatest hatchet man of all times, recommended an immediate increase in resources to preserve the ability of the department to enforce regulations to ensure safety. In late 1985 we had an official of Transport Canada visiting the United States reviewing the American experience on deregulation.

Literally everything that has happened since then, the reduction in inspections, sending untrained and unqualified inspectors out into the field, everything that has reduced the regulatory assurance that Canadians are entitled to could have been forecast through the crystal ball of the American experience after it deregulated.

In May 1986 the report *Aviation Safety In a Changing Environment* said the same thing.

In 1989 my colleague raised the issues of safety and staff resources in the House of Commons and so did I. In 1990 we did it again.

The government is continuing to refuse to recognize that if you pass laws, if you adopt new policies that increase the workload dramatically, unless you are prepared to jeopardize the safety of the public you have to be prepared to provide the resources to ensure that your regulations and policies work.

We had a clear conflict between two government policies that the government blindly has refused to recognize for well over seven years. One is deregulation, where there is more work to be done, up to 400 times as much in the case of inspecting aircraft, and at the same time downsizing, more work and less people to do it.

We have the same thing in the marine services within Transport Canada. We have a report that is now over a year old that states there are inadequate resources in marine services to respond to emergencies on the waterways. We have similar warnings in the same reports, which the government ignored for years and years, that land transportation safety is also declining.

Throughout government departments—this is why I raise this so urgently, even with so little time to do so—diminution of resources, lack of training and the loss of highly qualified people are jeopardizing the health and safety of Canadians.

I call on the government to look at the impact, department by department, that its downsizing program has had. Look at how many regulations and laws of this Parliament are not being implemented for protection and safety, simply because the government has refused to provide the resources.

Madam Deputy Speaker: Unfortunately I must interrupt the hon. member.

[*Translation*]

It being 6 p.m., it is my duty to inform the House that pursuant to Standing Order 81(17), the proceedings on the motion have expired.

[*English*]

Pursuant to Standing Order 30(7) the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

PUBLIC EMPLOYEES

POLITICAL RIGHTS

Mr. David D. Stupich (Nanaimo—Cowichan) moved:

That, in the opinion of this House, the government should enact appropriate legislation to guarantee the political rights of public employees.

He said: Madam Speaker, in moving this motion, I want to refer to the legislation as it now exists, specifically to section 33, which reads in part:

33(1) Except as authorized under this section, no employee shall

(a) Engage in work for or against a candidate and

(b) Engage in work for or against a political party or;

(c) Be a candidate.

Section 32 defines the word candidate. It reads:

A "candidate" means a candidate for election as a member of the House of Commons, a member of the legislature of a province or a member of the Council of the Yukon Territory or the Northwest Territories.

It does not go any further in defining candidate than the words I have read. It leaves me open to wonder whether a candidate is a candidate when that person declares himself to be one or is possibly nominated by a group of those qualified to vote in that election, as is done by political parties. Or does a person become a candidate on the day that they are officially nominated before the returning officer?

When it reads "to campaign for it", it must mean for the whole period, from the time a person indicates his desire to become a candidate and then becomes one by whatever procedure he or she uses. From that point on that person is a candidate. That means that no person in the Public Service could do that, but there are exceptions.

In subsection 2 a person does not contravene subsection 1 simply by contributing money to the person who is running or to a political party. Again, it is vague in that it does not say whether a person can join a party. I know in the past it has been interpreted to mean just exactly that, that while you might make a donation you cannot be a member of a political party if you are a public servant.

There is a further exception in subsection 3: "Notwithstanding any other act, the Public Service Commission may grant to an employee leave of absence without pay to seek nomination as a candidate and to be a candidate for election".

Again, that presents difficulty for public servants. In my case, I was first nominated on May 1 for the election that took place six months and three weeks later, on November 21, 1988. I had been seeking the nomination for the previous 10 months, which means that if I had been a public servant during that period, I would have gone for a period of some 16 months, if my mathematics is reasonably close, without pay.

I would have had to ask for leave of absence. I would have had to depend on the Public Service Commission to give me that leave of absence, and I would have gone without pay for that whole period.

If one knew when the election was coming, one could time it a little better from the point of view of being without pay. If there is anyone who knows that far ahead, it would be only one person, and even the government leader would not know a year or two ahead of time what date the election was going to be.

It does work a considerable hardship against public servants in particular, a hardship that does not exist with respect to anyone else in the community qualified to run. They can run without having to worry about giving up their employment, getting leave of absence or being without pay for that whole time.

It seems to me that a case can be made on those grounds alone for legislation that changes it and gives public servants at least some of the rights of regular, ordinary citizens—I hate using the word ordinary, it is overused with respect to people.

This has been argued over the years and in 1986, I think it was, the trial division of the Federal Court ruled that section 33 was contrary to the Canadian Charter of Rights and Freedoms. That is the section I read which said you cannot become a candidate, you cannot try to become a candidate, you cannot do all those things unless you are exempted by having had the permission of the Public Service Commission.

They challenged that legislation on the grounds that it was contrary to the Canadian Charter of Rights and Freedoms but they lost at that level. They then appealed in 1988 to the Federal Court of Appeal. That court struck down section 33(1)(a) and 33(1)(b). It left in place subsection (c); but it did strike down 33(1)(a) and 33(1)(b) in June 1988.

The Public Service Commission appealed that decision to the Supreme Court of Canada, and in June 1991 the decision was rendered that confirmed the decision of the Federal Court.

It did strike down subsection 33(1) which stopped you from doing almost anything, engaging in work for or against the candidate, or engaging in work for or against the party. Again, it is interpretation. What is working for a party? I can recall a friend of mine who was a public servant when this happened. Someone reported to his employer that he had a lawn sign in front of his house. He was called up before his supervisor who told him he would have to get that lawn sign down because it was contrary to the legislation. He said that it was his wife's house. The supervisor said: "It may be his wife's house but it was his job that was on the line". He took the sign down.

It seems to me that is certainly going to the extreme in saying the degree of participation that a public servant, any public servant, can engage in at the time of an election.

The Supreme Court ruled that the prohibition of public servants working for or against a candidate or party violated the freedom as expressed in section 2(b) of the charter. However, the court recognized the importance of the political neutrality of the Public Service and of public servants. I think we all agree with that. There has to be some recognition of that.

The court stated that the present provision in banning political activities without distinction and without regard for the nature of the work performed by the public servant in the Public Service went further than was necessary. It stated further that legislation could be enacted which would limit the political activities of public servants. It gave some indication of how future legislation might be framed in order to achieve the objective of a neutral Public Service.

• (1810)

It is still up to the public servant to define in his own mind and hope that what he is doing is proper. Employees are required to exercise judgment and to consider their specific circumstances, the kind of work that they are doing, the level of their position in the public service and the way in which they are engaging in political activities, particularly with due regard to the loyalty they owe to the government and to their obligation to act and be seen to act impartially when dealing with the public. None of us would want their political partisan activities to interfere in any way at all with their delivery of a service to the public. I think everyone will agree with that.

With the court decisions, the employees are still bound by section 33(3) of the Public Service Employment Act with respect to seeking candidacy. They still have to get permission. They still have to get leave of absence. They still have to go without pay for the whole time they are campaigning to get a nomination and the time they are running until the election is decided, which could easily be in some cases a couple of years. We do not know when that is going to happen. I presented my own case and said that it would have been in excess of a year had I been a public servant before I would have had any pay.

That does not apply all over Canada. I do not know the situation in other provinces, but in British Columbia a provincial public servant can seek and obtain a nomination without sacrificing anything. He or she can ask for leave of absence without pay for a period of up to 90 days and can choose the time when it is most advantageous to him. In all likelihood that would be the time of the actual election campaign itself and perhaps some time before that, if one could be reasonably sure when the election was coming. At least there is that freedom there. They do not have to ask anyone's permission. Certainly, if they are stepping beyond the bounds of good conduct, then they would be called to task. They do have that much freedom, freedom which, to my mind, goes a long way toward satisfying the Canadian Charter of Rights and Freedoms.

It is time the federal government approached this legislation, approached its public servants in the same open light with respect to the action of public servants. As long as it does not interfere with their work, they should be allowed to participate as citizens of Canada in the electoral process by supporting a candidate of their choice, by supporting a political party of their choice, by being a candidate if that is their choice, by seeking nomination. Until they actually need time off to participate fully, they should be able to continue with their job and then ask for a leave of absence, unpaid, from the time they feel they have to put all their time into their campaign.

I would urge the government and all members of the House to support legislation that would define it so that the people involved would know exactly what the limitations were and the options open to them. All we are asking in this is to make it clear. It is vague now.

We have the legislation, we have the Supreme Court decision and the court suggested legislation could solve the problem. I am urging that the government introduce legislation that will limit the activities to the extent felt necessary so that people will be fair on both sides, but nevertheless define it so that the public servants engaging in these activities will do so knowing that they are within the bounds of specific legislation.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Madam Speaker, that was a very thoughtful speech by the member sponsoring the motion before the House on the issue of where one draws the line appropriately on the role that public servants must play necessary to maintain the political neutrality of the Public Service, which at the same time permits public servants to participate in the public life of our country to the extent that they wish to.

I agree with the hon. member that it is important to clearly define this in law because of the certain hiatus that currently exists with the court decision following the review of the existing sections 32 and 33 of the Public Service act that governs this area of political activity by public servants.

When I heard him say he thought that it was important for each individual member of the Public Service "to define in his or her own mind what is appropriate", I felt that was too subjective an approach to be satisfactory either to the Canadian public, the government, or the Public Service itself. That is why again it is important to have this defined in law.

That word in the motion which says that government enact appropriate legislation certainly is the key word: What is appropriate. If you take a historic view of this, the appropriateness certainly changes over the decades and through the centuries.

When I first wrote about this subject over a decade ago in my book called: *Political Rights—The Legal Framework of Elections in Canada*, I was interested to learn in my research that the efforts to establish the neutrality of the Public Service by de-politicizing it had, in some cases, even gone so far as to remove the right to vote from public servants.

For example, in the pre-Confederation province of Canada, customs and excise workers were disfranchised in 1844. The majority of postal workers lost the right to vote in 1851, and even Crown land agents were denied the right to vote in 1855.

That was perhaps not unconnected with similar tendencies in England at the time when in the years between 1782 and 1866 postal employees and customs and excise officials had also been disfranchised.

Significantly in 1866, when Mr. Gladstone, the great reformer, was bringing in legislation that generally provided for an extension of the franchise in Britain at that time, it included an express provision that would have denied the right to vote to all public servants.

When you look at those kinds of restrictions that applied in the effort to establish a politically neutral Public Service, it is very clear that the whole paradigm within which this current debate is occurring has dramatically shifted.

We are guided particularly by the Charter of Rights and Freedoms which is now a fundamental part of Canadian life setting out the democratic rights that all of us have.

What are the restrictions that are demonstrably justified in a free and democratic society? Most often the quest for increased rights is put in terms of the benefit or the advantage that will accrue to the individual who acquires and can exercise those rights.

I think that seen from the other side of the coin the political restrictions that are by law traditionally imposed on public servants in this country can also be seen as protection for public servants, almost, if you would like, consumer protection legislation for public servants. That is because there are serious implications for those who take a political role in the course of holding a public office or being a member of the Public Service.

I think the dilemma was perhaps best set out by J.E. Hodgetts, who was certainly one of Canada's leading scholars on public administration. He wrote about this some years back in 1973, almost two decades ago.

• (1820)

In a book on the Canadian Public Service, Hodgetts said the following: "Partisan activity on behalf of the party in power could be interpreted as a form of job insurance for the public servant or his means of ingratiating himself with his political overlords. But at the same time, such activity jeopardized the doctrine of political non-alignment of public servants that protected them against dismissal when a governing party was defeated."

It is important to recognize that in the quest for seeking political liberation for those who occupy positions in the Public Service of our country, there is a problem for the individuals themselves.

I would like to cast that now, even more broadly, in terms of the collective damage that can be done to the Public Service if we do not get this line of demarcation between what is permitted and what is prohibited in the right place.

We all agree that there has to be a line. I think we all agree that it is best expressed in statutory form so that there is certainty for all. The issue here now is just where that line should be.

In a Public Service where hiring and promotion is based on the merit principle, it becomes problematic, very difficult indeed, if the political persuasion of people within the Public Service is known to co-workers, subordinates and superiors.

This country began with a highly politicized Public Service where following each election the rewards of office included the power to dispense public jobs whether it was in the customs office or any other position to those who had been supporters of the successful party at the election.

Indeed, there was a practice. I see the Mace on the Table before us. There was a practice called macing which was the method by which the members were never permitted to walk between the Mace and the Speaker, as the member for Kingston and the Islands knows, but has forgotten in his reference to the Mace, otherwise a persnickety member for parliamentary procedure.

Macing was the extraction by the government of the day of money from public office-holders as a reward for having gotten the position, a 5 per cent levy, an 8 per cent levy of their salary.

Over quite some time this practice was eliminated, but it was only possible as part of the larger effort to establish the Public Service Commission early in this century and to base hiring and promotion on the merit principle.

We have gone through a long struggle in this country to get to the point where we have, as best as we can achieve it, a politically neutral Public Service. Why is that important?

It is not just for those who are members of the Public Service and looking at this as kind of consumer protection legislation for the vast majority who do not wish to openly become candidates or go out and work in elections even though they may hold serious and considered views about the country and its affairs.

I am thinking now at the next step having gone from the individual public servant to the Public Service as a whole to the third dimension of this and that is the Canadian people.

I believe the Canadian people have the right to look to those who hold public office in this country with a sense that the affairs of our country are being conducted in a fashion that is fair, balanced and in accord with the public interest.

Party differences divide those of us who are elected to this Chamber. They ought not to divide those who work year in and year out in developing policy and furthering the implementation of government programs across this vast land of ours.

I know that it can be quite a chilling reality for many people to think that the civil servant with whom they would be dealing is someone who is actively affiliated with a certain particular political party, perhaps one that is opposed in interest to their own party. That is not something which represents an advance in the public policy of our country but a step backward.

With the historic perspective that I tried briefly to outline in the debate tonight, I hope that when we get to drawing the line that the hon. member wants to see in legislative form, which I agree should be there, we can indeed do it in a way that is fair and responsible for all concerned.

That includes the individual member of the public sector, the Public Service as a whole, the government that depends on the advice and the co-operative support of the Public Service, ultimately and above all the people of Canada who look to the Public Service for a fine tradition of maintaining good government and peace throughout our country.

* * *

BUSINESS OF THE HOUSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I believe that you will find unanimous consent for the following motion:

That, notwithstanding any Standing Order of this House and notwithstanding the designation of tomorrow as an allotted day, on Friday, April 3, 1992 the government will call second reading of Bill C-45, an act to promote public safety in the transportation of dangerous goods;

That, no later than 2.45 p.m. all questions necessary to dispose of the said bill at second reading shall be put forthwith, without further debate or amendment;

That, any recorded division demanded be deferred until Monday, April 6, 1992 at 6 p.m.;

That, on Monday, April 6, 1992 the government will call report stage of Bill C-31, an act to amend the Extradition Act and report stage of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act;

That, no later than 5.45 p.m., all questions necessary to dispose of Bill C-31 at report stage and Bill C-60 at report stage shall be put forthwith, without further debate or amendment;

That, on Tuesday, April 7, 1992 the government will call third reading of Bill C-31, an act to amend the Extradition Act and third reading of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act;

That, no later than 5.45 p.m. all questions necessary to dispose of the said bills at third reading shall be put forthwith without further debate or amendment; and

That, on Wednesday, April 8, 1992 during government business, the government shall call Bill C-49, the sexual assault act at second reading.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I just want to confirm that there have been discussions between the parties on the motion. We are quite prepared to support it. I do have two questions for the parliamentary secretary to the government House leader.

With regard to Bill C-31 and Bill C-60, on Monday and Tuesday, we have an order that provides for both of those to be dealt with at various stages. I wonder if I could have the assurance of the parliamentary secretary that each of the two bills will receive an adequate amount of time in the House. Obviously, we are worried that the second one in each case might get short shrift and, as we have seen in the past, really get no debate at all. I would like that assurance.

Second, in terms of Bill C-49 which will commence debate on Wednesday, can the parliamentary secretary indicate whether it is the government's intention to have that bill voted on prior to the scheduled break at the end of the week?

Mr. Cooper: Madam Speaker, I do want to indicate to the hon. member that yes, we are interested in making sure that both Bill C-31 and Bill C-60 have an adequate amount of debating time. Of course, that is dependent on both sides of the House. But I can signal to him our co-operation in attempts to make sure that there is time for Bill C-60 on both days.

Second, in terms of Bill C-49, yes I can indicate to him that it is the government's intention to complete second reading before we rise at the end of that week.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I know there have been extensive discussions between the parties to settle on the terms of this order.

I am happy to indicate the support of our party to the order. I may say that I am concerned that with the number of bills that are passing, there will not be anything left on the Order Paper by the end of next week.

I hope that the parliamentary secretary will look to the fact that perhaps the government is a little slow in bringing forward its legislation.

• (1830)

Mr. Cooper: Madam Speaker, I am flattered by my hon. friend's concerns. More often than not he is accusing me of being in too much of a hurry to get our legislation through the House. It is nice to see that as spring approaches we are finally hitting a balance.

Madam Deputy Speaker: According to procedure I must say: Does the hon. parliamentary secretary have consent of the House to present the motion?

Some hon. members: Agreed.

Madam Deputy Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

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PUBLIC EMPLOYEES

POLITICAL RIGHTS

The House resumed consideration of the motion of Mr. Stupich (p. 9291).

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, it was very interesting to hear the comments of the member who spoke last on political rights for public servants. The history lesson was interesting, that back in the 1800s Public Service employees in many sectors were denied even the right to vote. As one of a category of Canadian citizens who were denied the right to vote well into the 20th century, perhaps I stand up to defend political rights with a little extra verve and commitment. We do have a democratic society. The right to participate in the political life of a democracy is the right of every Canadian citizen and one which should only be reduced or removed for the most serious of reasons in the public interest.

I was recently rereading a submission I made to the commission on electoral reform and I carry into this debate the principle that I put forward in that submission. The principle that should apply is that disenfranchising people should not be done and that if the commission had to err on the side of making it a little too easy for some people to vote, it should do that rather than err on the side of disenfranchising those who should not be disenfranchised.

I support the intention that I think the hon. member has in moving this motion, that the government bring forward legislation to clarify the political rights of Public Service employees. The problem is that the courts have already ruled quite clearly on this. What the government needs to do, first of all, is to repeal sections in the legislation that the courts have ruled violate the Charter of Rights and Freedoms. The opinions of the government member who spoke on the motion may be of great interest, but they really are of no great moment when the court has already ruled on what is currently in the legislation. It has said that the legislation that is now in effect places unreasonable limits on democratic rights and that those limits are not justified in a democratic society.

The only provisions that the court left intact are ones that I think everybody would agree are basic and minimal restrictions on the democratic rights to participate in the political process. Those are the obligation on deputy ministers who advise on policy directly to government to refrain from political activity and the restriction that a Public Service employee who wishes to be a candidate has to have permission to do so and has to take a leave of absence while he or she does.

We have right now legislation that the courts have said is contrary to the Charter of Rights and Freedoms and after nine months the government has done nothing to make any efforts to change that legislation, to repeal the offending sections. I think that is the first step that has to be taken. In my view we then build on what restrictions need to be put in place that can be justified as absolutely essential to protecting the public interest, because that is the way our charter is framed. Any restrictions on freedoms have to be justified in the public interest.

We have been talking in committee for a month now about the kind of Public Service we want, the importance of a neutral Public Service, the importance of a Public Service based on merit. Quite shockingly to me the government has brought forward legislation that says merit no longer means that we want the best qualified people working in the Public Service of Canada.

There has been deep concern expressed to us from a number of fronts that what that is going to mean is the ability to politicize the Public Service again. We have to remember that legislation to establish the merit principle in the Public Service, to keep it politically neutral, was brought in in 1919 as the result of a whole history in the Public Service of appointments based on who your friends were and whether they got elected and whether they liked the candidate you worked for at election time. Yes, there was substantial pressure on Public Service employees to work for candidates at election time because otherwise they would not be in the Public Service after the election if a candidate won for whom they had not worked.

Certainly we do not want to go back to that. Yet there are many ways to undermine that. The current bill, Bill C-26, that the government has before a legislative committee is probably more dangerous to a politically neutral Public Service than is any exercise by a Public Service employee of a right to have a lawn sign or to make a contribution to a political party, or to make a few phone calls on behalf of a candidate.

The Prime Minister in the 1984 election promised that this was something that could probably be corrected quite easily by setting up a standing committee and bringing in new legislation that took many of the restrictions off Public Service employees in their right to be involved politically. The government never did that, and in fact when my predecessor in Ottawa West brought forward a bill to reduce the limits on Public Service employees' political rights, he eventually felt morally compelled to withdraw that bill because his own government insisted on tightening the screws again and again to the point where close to 50 per cent of Public Service employees were again fully denied any political rights of any moment.

This is an important principle in the bill before us. It is not one, frankly, that I expect this government to act on. But I ask it to consider seriously, since it is now into an era of regulatory review, whether its particular commitment to limiting the rights of public servants makes any sense. I ask it to consider, if it has any true commitment to the concept of building trust and partnership between the government and its employees, whether it does not think that most public servants can be trusted to exercise discretion and not to indulge in political activity that is in conflict with their public responsibility.

I frankly believe that most of them are mature individuals who value their jobs and who value their commitment to serve the public impartially. I think they value it more than the government does, and I do not think they are going to jeopardize their ability to serve the public or the future of their employment with the Public Service by acting foolishly in a political way. If we believe they are the kind of individuals who cannot be trusted then I do not know how we can proceed with reform of the Public Service where trusting one another is really the foundation of revitalizing the Public Service.

It appears to me that there are in place mechanisms to deal with Public Service employees who do violate the trust placed in them by the public and by the government. Departments have codes of ethics. There is the obligation to act in good faith toward one's employer. We have conflict of interest guidelines for employees in the Public Service to ensure that their private activities are not in conflict with their public duties.

On top of all of that, do we truly need legislation? I doubt it very much.

We are dealing with the most fundamental right a citizen has in a democracy. That is the right to participate in the political process, to express their views on issues, to support the candidate of their choice, to support the political philosophy of their choice. Only for the most serious of reasons should we deny that right to 500,000 Canadians. That is how many people we are talking about.

The courts have said that the legislation which was in place is not valid; it has quashed those sections of the legislation.

I call upon the government to bring forward an amendment to repeal legislation that no longer has any force and effect and to make it clear to Public Service employees what their rights are.

[*Translation*]

Madam Deputy Speaker: Since no more members have asked to speak, the hour provided for the consideration of Private Members' Business has now expired and the order is dropped from the Order Paper.

It being 6.40 p.m., the House stands adjourned until ten o'clock tomorrow morning, pursuant to Standing Order 24(1).

The House adjourned at 6.40 p.m.

HOUSE OF COMMONS

Friday, April 3, 1992

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

TRANSPORTATION OF DANGEROUS GOODS ACT, 1992

MEASURE TO ENACT

Hon. Gerald S. Merrithew (for the Minister of Transport) moved that Bill C-45, an act to promote public safety in the transportation of dangerous goods be read the second time and referred to Legislative Committee E.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Madam Speaker, I am pleased to be able to rise in the House today to represent the Minister of Transport as we begin second reading debate of Bill C-45, an act to promote public safety in the transportation of dangerous goods.

The minister had rather hoped to be here himself for this particular debate, as he has addressed the House previously on the importance of transportation to Canada and the role it plays in our competitiveness and prosperity, and he wanted to extend that debate to this important piece of legislation.

However, he is in Vancouver today, as most members already know, for the signing of an agreement to transfer Vancouver International Airport to a local airport authority. This is a task he completed yesterday in Calgary and in Edmonton with the transfer of those two airports to local authorities.

The minister nonetheless wanted me to convey to the House his appreciation that this debate is going forward today, as it will certainly be of benefit to Canadians to have this bill move expeditiously through the parliamentary process and on to implementation.

Today I am addressing the need to regulate certain transportation activities to promote the safety of people, property and the environment. As we are all aware, our standard of living depends on a sound transportation infrastucture and its ability to move all cargoes safely and efficiently.

The production of many goods we use, whether or not in themselves dangerous in their finished state, may involve the transportation of hazardous products at some time in their manufacture or production. This could include explosives, acids or pressure-liquefied gases.

Our concern, as the Department of Transport, is to ensure that such dangerous goods are transported in a manner which ensures public safety with no undue burden on industry.

In 1980 Parliament passed the first Transportation of Dangerous Goods Act. Ten years of experience with that legislation prompted us to initiate consultations with industry, the provincial governments, interest groups and the general public on possible amendments to the act.

In July 1990 the present Minister of Transport, then minister of state, had 19,000 copies of a discussion paper distributed to industry organizations, provincial governments, federal departments, interest groups and the general public.

That paper contributed significantly to the development of Bill C-45, which is intended to replace the Transportation of Dangerous Goods Act of 1980 with the Transportation of Dangerous Goods Act, 1992.

Transport Canada has maintained an excellent partnership with the provinces in the administration of a single, national dangerous goods program which com-

prises federal and provincial legislation and a variety of joint activities.

The primary focus of Bill C–45 is to prevent accidents during the transportation of dangerous goods. It is a realistic bill and takes into account what should happen when, despite everyone's best efforts, accidents occur.

For certain circumstances, it requires that industry establish emergency response assistance plans and file with Transport Canada, for approval, summaries of these plans. A similar provision has been in place for the past several years and I must tell the House that I was extremely impressed when I learned of the excellent work done by Canadian industry associations.

For example, the Canadian Chemical Producers Association has established a national transportation emergency assistance plan that allows a member company to call upon another member company anywhere in Canada to provide assistance at an accident.

I am very pleased to be in a position to advise the House that this made–in–Canada approach, which ensures a very rapid, professional response, has been adopted in the United States and is finding acceptance in several European countries as well.

Bill C–45 will ensure that industry will respond effectively to transportation access. It also provides that any emergency responders such as volunteer fire departments will receive adequate information on the products involved. This happens through the established placarding, labelling, and documentation system.

In addition, Transport Canada will continue to operate the Canadian Transportation Emergency Centre, known throughout the industry as CANUTEC, which operates 24 hours a day to provide information and guidance to whatever technical depth is required by those who are responding to an emergency situation.

Bill C–45 will ensure that, when importers bring into Canada material that is regulated in Canada, they must satisfy our regulations.

Under Bill C–45 Canada's national transportation of dangerous goods program will remain in harmony with international programs such as those of the United Nations, the International Maritime Organization and the International Civil Aviation Organization, as well as those of the United States and other countries.

This will be done to ensure that Canadians will not be placed at a disadvantage in the international market by domestic requirements which either over–regulate or under–regulate transportation activities.

With respect to compliance, Bill C–45 maintains the severity of fines and jail terms provided under the 1980 legislation but two new elements are added.

First, it provides that an offence can be viewed as a new offence on each day it continues. This will ensure that an incentive remains for a company to correct an infraction quickly following its discovery.

Second, the bill allows court orders to be issued to persons convicted under indictment to (a) prohibit the person from engaging in some or all activities regulated by the bill for up to one year, (b) compensate for damages such as to volunteer fire departments for extended supplies, (c) to restore the environment, or (d) require the person to conduct or pay for technical research and development relating to the safe transportation of dangerous goods.

Except for the prohibition to engage in certain activities, the maximum penalty for the remaining three items is not to exceed $1 million per infraction.

I am very pleased with the excellent work and consultations which have led to these improvements to Canada's transportation of dangerous goods program.

I am sure the text merits the attention of all members of Parliament who will recognize the importance of assuring speedy passage and adoption of this bill.

Mr. Stan Keyes (Hamilton West): Madam Speaker, I am privileged to rise on debate at second reading of Bill C–45, an act to promote public safety in the transportation of dangerous goods.

As the bill's title indicates, it deals with the transportation of dangerous goods in all modes of transportation, by rail, road, sea or air.

The safe transportation of all types of dangerous goods is of great concern to many people. Canada is a vast nation with hundreds of thousands of hectares of uninhabited land. However, all transportation routes emanate from our cities and towns, and it is especially in these populated areas that extreme care must be given for the proper handling of dangerous noxious substances.

Many Canadians, especially those in southern Ontario, do not have to look back too far to recall an event which brought great concern to this important issue of the carriage of dangerous goods.

In 1979, a train derailed in Mississauga. It was carrying chlorine gas. Twenty–four cars of that train derailed at a level crossing at Mavis Road after a journal box responsible for the lubrication of axles overheated and dislodged. Two propane– filled cars exploded into a huge fireball of chlorine gas. Over 225,000 Mississauga residents were forced to leave their homes for several days. That image is burned into my mind because at that time I was a reporter for a local television station in Hamilton. I was assigned the reporting duties of going to Mississauga to cover the accident, what had happened and then the follow–up stories of the evacuation of all those hundreds of thousands of individuals from their homes.

I do not want to have this House think that I draw the following comparisons for partisan reasons. Not at all. I draw the comparison because, like the very motion before this House yesterday dealing with deregulation and safety, all things involved in transportation require, first and foremost, safety. As I stated in this House yesterday, you cannot fudge on safety. The parallels are these.

First of all, like the Dryden crash, the Mississauga train derailment was cause for a judicial inquiry, headed by Samuel Grange. Second, like the Dryden inquiry, the accident was attributed in part to safety standards or the lack thereof relating to inspection and proper maintenance of rolling stock. Like the Dryden inquiry, there were no warning signals. Fortunately though, in the case of the Mississauga train derailment, there were no serious injuries.

In 1970, there were three serious accidents in Ontario which caused much public concern and resulted in public inquiries. The first was a derailment at Cobourg, Ontario, that involved 25 cars. The second was a derailment of 14 cars caused by a plain bearing failure. The third was a collision.

In the 1979 report into the Mississauga train derailment, the commissioner had this to say about the Canadian Transportation Commission, the CTC, now the National Transportation Agency. I quote:

(k) The Question of Funding:

The reason for this inactivity, if such it can called, is twofold. First there is a lack of money and manpower. In this connection a submission has, I understand, gone into Treasury Board seeking provision for more salaries to expand the accident investigation, inspection, planning and standards development programs including the engaging of specially qualified officers to go into shippers and manufacturers' plants and railway yards throughout Canada to ensure compliance with Red Book regulations. I have no knowledge of the priorities and I do not wish to intrude upon Treasury Board decisions. But surely at the very least, the CTC should have the funds to find answers not dependent on information or advice supplied by the railways. The railways are answerable to their shareholders; the CTC is answerable to the public.

The other reason is philosophical. It was very clear from the evidence of Mr. David Jones, the former chairman, and Mr. John Gray, the present chairman of the RTC, that there is an ingrained reluctance to take any action involving expenditure or loss to the railways without a complete investigation of the amount of that expenditure or loss and an assurance that the benefit to be gained will fully compensate for that loss—I cannot understand how the Commissioner could leave to the railways the regulation of the speed and length of trains. A long, fast train is a profitable one; it is not necessarily a safe one.

Wise words, Madam Speaker. Does it sound familiar? Dollars versus safety? Guess which one has been winning with this government as of late?

• (1020)

Let us not forget as well that transportation is becoming increasingly intermodal and high–tech. On the roads, tractor trailer trucks sometimes have two full–length cars behind them travelling, some would say, faster than the speed limit. In the U.S., they have triple car trailers behind trucks. Trains carry freight boxes from trucks stacked too high. Cabooses have disappeared, replaced by sophisticated detection devices. All of these factors obviously increase the risk of an accident occurring. So, caution is the watchword.

However, let me go back to my comments to the safety issue. The Brotherhood of Railway Carmen in 1989 stated in a report that fewer inspectors and less stringent inspection could cause another accident involving dangerous goods. They stated in the report that since the 1979 Mississauga accident, 2,000 safety inspectors had been cut by the railways. That is no way to be thinking about safety.

Again, in 1989, this House was concerned with the issue of contaminated fuels entering this country by

road. Apparently there were not enough safety inspectors at our borders to deal with the inspection of the transportation of dangerous goods. Perhaps there are alternatives to resource allocation which could keep up with these incidents. Perhaps where centralization is concerned, there could also be a devolution of control. One suggestion put to me just this morning from the mayor of Mississauga, Hazel McAllion, was that safety inspection and related mandatory supervision of dangerous goods transportation could be decentralized.

She said to me on the telephone this morning: "We have an opportunity here to ensure that there are enough inspectors and there is the enforcement of what the inspectors must do in the field. However, the government is going to have to provide all these inspectors and, of course, the related enforcement". In her words: "This is a huge country. We know where the rail lines are; we know where the train travels. We know where the ships are; we can board them and see all their cargo, but what of trucking? We do not know where all the trucks are all the time. There are no specifically designated routes that they always follow". She has seen a bit of a complication here in trying to ensure that there is adequate inspection and enforcement of safety regulations on the industries, on the carriers.

She went so far as to suggest maybe we should decentralize and put the responsibility of inspection and enforcement on the local fire and police departments. I am not saying whether that is right or that is wrong or whether it is a good idea or whether it is not a good idea, but I have got an open mind to these kinds of things.

She does have a caveat, of course. Hazel says: "If we put the whole idea of decentralizing inspection and enforcement into the hands of police departments and fire departments and special units within those units, we had better have the federal funding allocated to them in order to carry out the job". The unfortunate part, and there are complications that you can see immediately in that how do you supervise all of these many different fire departments and police departments to ensure that the job is being done, et cetera. That one idea she came up with indicated again to me the statement she made that this country is huge. There are many modes of transportation. There is considerable transportation of these dangerous and noxious substances.

We could have the best regulations in the world. We could have volumes of material, regulations and rules that say we had better be making sure, if we are to transport these particular substances which are dangerous or noxious, they are contained in this fashion, labelled in this fashion, and transported in that fashion.

However, in order to ensure that is happening, we need the inspectors and then, if there are inconsistencies in the law, there must be enforcement. That is going to take a commitment by this government, a commitment that just yesterday in this House we demonstrated in the airline industry was not there. Why? It was because the government has one agenda, an ideology of economic restraint.

On the other hand, this government preaches at the same time that the need or priority of Transport Canada is safety and that we cannot fudge on it. Unfortunately the two collide. It was stated not only by me and my colleagues in the House yesterday. It was stated by Justice Moshansky in his report. It has been indicated by witnesses to Justice Moshansky and the inquiry that there is a philosophical difference between the two.

There are opinions which we should discuss, and I suggest that among witnesses who will appear before the legislative committee of this House to study this bill are municipal leaders like Hazel McAllion from Mississauga who has extensive knowledge in these areas. We could discuss her ideas further and set them out there.

For example, clause 6 of the bill would require emergency response plans by carriers of dangerous goods in case of an accident. Perhaps through this vehicle carriers of dangerous goods travelling along known routes and alternative routes could, in conjunction with local authorities, put into place such a plan as would be capable of dealing with a disaster should one occur.

Clause 9 of the bill gives powers to inspectors. The minister may invoke or revoke an inspector's licence. The minister may authorize and designate persons to approve emergency response plans or to issue directions or permits for inspectors.

There are many other requirements of inspectors such as obtaining a warrant for a search of a premises for noxious substances, for example, and powers of the minister to follow under this bill. The inspectors will have to comply with a great series of regulations

throughout the course of their duties both to ensure safety and respond to an accident.

A new provision would provide that where an inspector believed it was necessary to prevent an accident from happening, he or she could take appropriate measures to prevent harm to the environment, people and property. For the record, and I want to say it again, I have heard the government has consulted widely on this bill and it has support.

• (1030)

As gold plated as this bill is today at second reading before going to committee for full discussion, it will not mean anything to the safety of Canadians or their property or their environment if proper monetary resources are not given for all these safety inspections and the enforcement that may follow.

That is our message. I look forward to following this bill in legislative committee. We will be very attentive to all the witnesses who appear before the committee on it. We will ask the necessary questions including those questions, I hope, to the minister responsible, the Minister of Transport, to assure Canadians just how far this government will go to ensure that the funds are allocated and to ensure that safety and enforcement are truly the priority of this minister, the priority of Transport Canada and the priority of this government.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I am pleased to rise today to debate at second reading Bill C–45, an act to promote public safety in the transportation of dangerous goods.

I am pleased that the government has brought forward this legislation. When the original bill was passed in this House a number of years ago, my caucus supported it but also argued that it did not go far enough. Surprise, surprise, I will make the same arguments today.

We support the changes that have been introduced: the clarification of the coverage through a new proclamation certainly giving inspectors greater authority to act in order to prevent injury or damage to people, property and the environment; the requirement that industry must put together response plans; the recall system for containers, transport packages, gas cylinders, tanks, et cetera; and a wider range of penalties, in fact some innovative penalties that would require someone who is found guilty of a breach of this act actually to spend money to provide the necessary public prevention or clean–up equipment.

I want to outline some of the additional steps we believe the Government of Canada should be taking. A lot of them focus on those men and women who are the front line of defence when there is an accident involving hazardous goods.

I am talking about the emergency response personnel, fire–fighters, police and the medical teams inevitably found at the scene of an accident involving hazardous goods, whether it is road, rail or perhaps even air. They are the first ones there. They are the ones who are responsible for (a) trying to determine what they are dealing with and (b) trying to do something about it either in terms of containment or in terms of control or elimination of the problem.

Fire–fighters are very concerned about the lack of information. This act and its predecessor act require some form of placarding on the equipment. We have all seen the rectangular signs on their edge, but most of us do not know what they mean. The fire–fighters and police are required to know.

I am also told that in the cab of the vehicle or the cab of the train—it used to be the caboose of the train; we do not have those any more—is a manifest outlining the chemicals, the hazardous goods, and how to deal with them. We have seen a number of occasions where the cab has been destroyed and there is no direct access to what is contained in the vehicle that is now leaking or oozing something.

Fire–fighters are proposing a national computerized registry that would be instantly accessible by the emergency response personnel at the site of an accident. That registry would be required to contain all the information about every shipment of hazardous goods moving by whatever mode in this country.

Before shippers could place that material into a transportation vehicle, they would have to register the information with the computer bank. They would also be required to place a unique identifier that directly related

to the information placed in the data bank in a number of locations on the vehicle. If there were an accident involving a tank truck or a truck carrying low level or high level nuclear waste or any fuel or hazardous good, the emergency response team would quickly locate the bar code, feed it into the computer, and immediately know not only what was in that truck but would have a print-out as to the action it would have to take.

That action would delineate things like the kind of material to use to extinguish a fire. I am not sure if most people realize that water cannot be used on a lot of these things, that specialized foam materials or other chemicals are used to counter a fire when dealing with hazardous goods, particularly a chemical.

It would also warn the team about the toxicity of what it was dealing with, whether it becomes airborne and therefore whether all emergency personnel have to wear respirators, or whether there is the potential of contamination through the skin and whether or not they would have to wear protective clothing.

Right now we are sending our emergency response personnel into unknown hazardous situations. Quite frankly they do not know. The fire-fighters' association has documented evidence of case after case after case of fire-fighters who have eventually been diagnosed as having cancer that has been related back to a specific fire that they attended to.

We ask these men and women to put their lives on the line every time they leave the fire station, the police station or the hospital to attend to a hazardous goods accident. If we look at the breakdown of line of duty deaths for fire-fighters, we find that nearly 15 per cent are due to burns and asphyxiation, 44 per cent due to heart attack and stroke, 12 per cent due to apparatus failures, and falls by about 12 per cent as well.

Injuries due to exposure to hazardous materials of the non-inhalation kind, in other words contact with the skin, are about 2 per cent of the over-all injuries. To us it does not seem like a very large amount. However, we should think of the kind of long-term damage that can be done by fumes, by contact with cancerous agents in the line of work. It might not show up for a number of years but it can be very deadly. We need to do something about that. If we can put bar codes on every roll of toilet paper it will be very simple for us to have bar codes tied into a computerized system for every vehicle transporting hazardous goods in this country. It is a very simple process.

• (1040)

We have the technology to do it. All we need is the will. Bill C-45 gives us the tool to incorporate that kind of suggestion into the system. It is clearly a question of having the right to know and it will allow fire-fighters and other emergency response personnel to better ensure that public safety is promoted. The clear intent of the title of this bill is the promotion of public safety in the transportation of dangerous goods.

We can make those changes and I certainly will be pursuing that, as my colleagues will in committee.

The other area I would like to briefly mention is what happens to our emergency response personnel in the line of duty. A number of fire-fighters are killed every year in the line of duty. A number of fire-fighters are permanently disabled in the line of duty, and never return to work. The International Association of Fire Fighters has proposed the creation of a one-time compensation benefit paid to the survivors of those killed or permanently disabled in the line of duty. I would like to quote from one of its legislative fact sheets:

> Fire fighters and other public safety officers risk their lives daily in an effort to save the lives and property of their fellow citizens. When these brave men and women are killed in the line of duty, as they are with alarming frequency, their deaths are in defence of the citizens of their country, just as surely as a soldier who is struck down by an enemy.
>
> Currently, Canada has no way to acknowledge the supreme sacrifice paid by these heroes who are killed or permanently disabled in service to their country. The only compensation available to them or their families is the benefits normally available to workers injured on the job.
>
> One way for a grateful nation to pay its respect to these brave victims is to provide a one-time compensation benefit to the survivors of those killed or permanently disabled in the line of duty.

I know that we cannot do that within the context of Bill C-45. However I flag it as an issue that I believe the legislative committee should examine and then perhaps provide some guidance to the government.

The other area I want to deal with is infectious disease notification, and I believe we can do that by amending Bill C-45. Exposure to infectious disease is a major reason that fire-fighting is one of the world's most dangerous professions. Fire-fighters and other emergency response personnel routinely provide emergency medical treatment in unsanitary conditions on patients they know nothing about. This results in fire-fighters being

occupationally exposed to a variety of dangerous contagious diseases.

Fire-fighters who have been exposed to infectious diseases need to be informed of this fact so that they can seek medical monitoring and modify their behaviour to avoid further transmission.

To address this concern the Government of the United States recently enacted a law requiring that hospitals notify emergency response personnel about the infectious status of patients treated by emergency workers. The law prohibits involuntary testing of patients and only requires the hospital to share any such information in its possession. The program is also structured to protect the confidentiality of patients. It is a balancing act.

Those men and women who are on our front lines when it comes to emergency responses, primarily with regard to the transportation of hazardous goods but also in a broader context, should have the right to know. They should know if they have inadvertently been dealing with someone who has a contagious disease and that they may have been infected either through their pores, through breathing, or other ways.

I would like to see this legislation changed to accommodate that concern so that we can provide them with, not protection but the knowledge of the diseases to which they may have been exposed. In some ways, it is no different than the chemicals which they have been exposed to in the course of their activities.

One of the other areas I want to discuss is the role of Emergency Preparedness Canada. Nothing in this legislation provides an automatic linkage to Emergency Preparedness Canada. It used to be called the Emergency Measures Organization.

In each community it is responsible for disaster plans. Its people are the ones with the expertise. They are the ones who have done the planning to evacuate the Mississaugas, to evacuate parts of Thunder Bay. That is their role. Yet there is nothing in this bill requiring their notification of any major shipments of hazardous goods coming through their area of jurisdiction. I think it has to be changed to include that notification.

Another area I want to just briefly discuss is the shipment of blood samples. Most communities do not have laboratories to analyze blood. Yet on a daily basis blood is shipped from community to community to be tested. Most of the blood would not cause any problems if someone were exposed to it, but we do not know.

A lot of this blood, certainly in northwestern Ontario, is being shipped on Greyhound buses in unmarked containers. In the winter it is not shipped in the luggage compartment but is brought inside the bus and put on the racks.

There are no specific controls. This bill needs to address that concern. Workers handle it and passengers may be exposed to it without even knowing it is there. This creates a unique situation.

The other problem is that shippers must be totally responsible. It should not just be the responsibility of the transportation company. There have been situations reported to me in which hazardous goods have been purposefully disguised as something else and transported on a Greyhound bus.

Aerosol paint cans, which have the potential to explode, are regularly being transported on Greyhound buses. That is not Greyhound's fault. It does not and is not required to ask everybody to open their parcels. It is the shipper who has decided to take the cheap route to get product from community A to community B who is violating the spirit of the act. We need to tighten that up as well.

The bill is a good progression but we have additional work to do. Certainly I would hope that in committee we have the opportunity to call the people who I have been talking about, the front line troops who have to handle the hazardous goods after there is an accident, and not just the people from the industry who come in to clean it up with their specific plans of action.

It is the people who are there within minutes of the accident happening who need to know what they are dealing with. Let us hear from them firsthand so that we can get a sense of the changes we need to make to this legislation to make it the best possible legislation to protect the public and the public's employees.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, the speech just given by the member from the New Democratic Party was a very enlightening one. It contained a number of ideas. If I were to express myself on this bill with that amount of time I would probably echo a lot of the comments he made.

Dangerous goods and the transport of dangerous goods is a concern for all Canadians, more so in some regions than others.

• (1050)

I would like to provide a local riding perspective. There is a chemical plant in my hometown, not more than a quarter of a mile away from my place of residence. At that place, the ICI plant, there is a very professional response team that is very well qualified. In fact, it is recognized as the assigned response team for any accidents in Atlantic Canada and even the eastern part of the province of Quebec. It has responded to a number of train derailments involving chemicals in the provinces of Quebec and New Brunswick.

This is a concern. The member outlined some of the problems these response teams have when they get to that site. I certainly appreciated him mentioning the ideas of bar codes, proper clothing, and whatnot.

My question relates more specifically to the bill with the question of inspections—

[*Translation*]

As you know, Madam Speaker, the bill authorizes the designation of inspectors whose duties consist of monitoring compliance with the provisions of the act.

[*English*]

I know that the hon. member is quite concerned with transportation and that he participated quite extensively in the debate yesterday on air deregulation. I know that he is quite aware that we are talking about some types of deregulation in the transport industry in all modes.

I am wondering if the member could assist me and members of the House by advising us whether he feels that there is an undertaking by the government to ensure that we have enough inspectors and whether there will be proper training for those inspectors. I would also like him to comment on whether he thinks that the government would provide the money. Yesterday we heard in the debate, time and time again, people questioning whether the government had the commitment to ensure that inspectors were definitely in place.

Mr. Angus: Madam Speaker, I thank my colleague for his comments and his questions.

In examining the Department of Transport estimates for the current fiscal year it was clear, at least on the rail side, that it had made a conscious decision to increase the level of funding for rail safety and I applaud that. This is not something that people normally expect me to say in this House, but when it does a good thing it should be complimented for it.

However, only time will tell whether the continuing cutbacks by the railroads themselves, as they cut corners and find ways to be more competitive with their competitors in the United States and with trucking, will mean that we will see an increase in accidents in spite of the number of inspectors.

Keep in mind that the railroads themselves have their own inspection crews to monitor the safety of the operations. This has changed from a situation in which an individual would walk the whole length of the train and then the other side to check all the important components to one in which there is a drive–by inspection in which somebody just stands and watches to see if anything is hanging down. The railroads are doing that.

The government inspectors check the inspectors. I do not believe that the system is more safe today than it was 10 years ago, in fact I would suggest the opposite.

Also with regard to the member's comments, there was an article in *The Ottawa Citizen* on March 16, just a couple of weeks ago, about the closing of a stretch of highway 401 west of Cornwall. It was closed for 13 hours when a cylinder of chemicals fell off a flatbed trailer truck.

The mishap late Saturday afternoon had police and fire–fighters from nearby Ingleside scrambling to prepare for possible explosions and toxic gas leaks. They believed that the 20,000 kilogram cylinder contained highly explosive liquid nitro–oxyacetylene. The Ingleside fire chief, Shaw Lalonde, said that later information revealed that the chemical was in less dangerous gel form. He said that there was mass confusion as to what was in that container and blamed the trouble on incorrect paperwork.

This is a classic example showing that we need bar codes and a national computerized registry so that we do not have this kind of confusion, chaos, and danger.

Mr. Rod Murphy (Churchill): Madam Speaker, I thought the member gave a very interesting speech demonstrating his knowledge of the area.

I would like to ask him another question concerning this issue. I am sure he is aware of the private members' bill introduced by the member for Mission—Coquitlam, Bill C-334, an act respecting the identification of dangerous goods and to amend the Transportation of Dangerous Goods Act.

I wonder if he could clarify the need for such legislation in Canada. I know that in the province of Manitoba there have been many incidents that have scared people in Winnipeg and in rural areas in which towns have had to be evacuated because there is not adequate protection at the present. I wonder if the member for Thunder Bay—Atikokan could provide more of an explanation on this issue. I am sure that his explanation of the importance of the bill of the member for Mission—Coquitlam would be beneficial not only to the House but to other Canadians.

Mr. Angus: Madam Speaker, I thank my colleague for his question.

While the private members' bill put forward by my colleague is extremely important and relevant we have agreed, in consultation with her, to attempt to incorporate her suggestions into Bill C-45 so that the legislation could proceed to the benefit of the public and the emergency response personnel which we have to rely on.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Madam Speaker, I just wanted to clarify a point made in the hon. member's address about the dissemination of initial emergency response guides provided by CANUTEC. This has been developed in my remarks.

Initial Emergency Response Guide is a book in its third edition. I want to point out to the hon. member that Transport Canada provides it free to all fire department vehicles, including volunteer fire departments, police highway vehicles and emergency response organizations. I am pleased to provide it to the hon. member with our compliments.

Mr. Angus: Madam Speaker, I appreciate the response of the Parliamentary Secretary to the Minister of Transport. However, I want to point out that a handbook does not tell us what is in that truck if the placards have been destroyed as a result of the accident.

The whole point of my intervention about the computerized registry is to take that book and incorporate that information into it with the addition of any specific updates on specific loads on specific days.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I am very happy to be able to participate in the debate on this bill. Before I begin I would like to congratulate the administration on a job very well done in addressing some of the issues ignored by the previous bill, the 1980 act.

As well, I want to thank my colleague for Hamilton West who very nicely addressed some of the concerns our party has about this bill.

[*Translation*]

Finally, this bill identifies nine classes of dangerous goods and regulates their transportation in terms of securing the safety of the public, property and the environment. The nine classes of dangerous goods are as follows: explosives, compressed gases, inflammable liquids, inflammable solids, oxidizing substances, toxic substances, radioactive materials, corrosives and miscellaneous dangerous goods, including environmental pollutants.

[*English*]

This bill attempts to deal with a variety of issues concerning the transportation of dangerous goods from one location to the next. It attempts to strengthen the Transportation of Dangerous Goods Act. It also attempts to provide a clearer legal framework for regulating the transportation of dangerous goods. It seeks to place additional emphasis on taking steps prior to transportation to protect the safety of people, property and environment.

The 1980 act that was in place attempted to bring in partners such as the territorial and provincial governments to set up some standards dealing with the transportation of dangerous goods.

Madam Deputy Speaker: I am sorry. I will have to interrupt the hon. member who will be given the floor after Question Period.

S. O. 31

It being 11 o'clock a.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NATIONAL GALLERY

Mr. Felix Holtmann (Portage—Interlake): Madam Speaker, I promised myself that I would stay clear of the arts this session, but today I am going to break my vow.

In front of the House of Commons today stands on display part of a painting by Ken Kirby called: "Isumataq". If those gorgeous people down at the National Gallery could give their heads a shake, this real piece of art could be hanging in the place of "Stripe of Ire with no Voice". Our art gallery could become Canadian again representing this land, true north strong and free.

As I see it Ken Kirby should be given the Order of Canada and "Isumataq" could become the new voice of unity at our National Gallery before it is purchased by the United States of America.

* * *

PRINTING INDUSTRY

Mr. John Harvard (Winnipeg—St. James): Madam Speaker, I want to bring to the attention of all Canadians the plight of the commercial printing industry in Canada.

Since the free trade agreement came into effect, U.S. customs harassment based on country of origin markings has cost our printers 1,700 jobs and $160 million in lost exports. Since the FTA was implemented, Canada's annual print deficit with the U.S. has reached $330 million. That is a 200 per cent increase since 1988.

Here is the problem in a nutshell. The country of origin marking regulations in the U.S. are far too strict and are not always applied fairly. On the other hand, Canada's regulations need to be tightened to ensure that imported products are properly marked.

Canadian commercial printers want a level playing field with the Americans. They do not have that now. The problem cannot be wished away. It requires government action now.

HALTON—PEEL SURVEY

Mr. Garth Turner (Halton—Peel): Madam Speaker, I would like to share with the House some of the advice my constituents are giving me.

Heather and Dennis Sheehan of Caledon East write:

> We are optimists. We love Canada. We know we are Canadians. Quebec is very much a part of Canada. We all came here from somewhere else. The more we travel and meet others the more we appreciate what we have here.

Paul Lonergan of Milton writes:

> We are certainly creating a debt legacy at every level of government that will stifle and strangle future generations. Governments must begin saying no to social net programs and individuals must be made more responsible for their own welfare.

Finally, Roger Lang of Burlington writes:

> I want to see this country be one I can be proud of personally and internationally. We may have family differences but we must rise to a best for all positions rather than repeatedly studying and trying to satisfy every vocal group. We need to change the political system so elected officials work together for Canada rather than trying to make sure they only get re-elected.

* * *

EARTH SUMMIT

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, the UNCED Earth Summit in Brazil in June is an opportunity for Canada and all nations to make a strong commitment to our shared environment and to take real action to protect it. Yet Canada is not standing up for meaningful international agreements on such important issues as global warming.

Instead of putting forward solid proposals to meet its own commitment to reduce the emission of CO_2 gases, Canada is asking for credit for tree planting, wanting to deal with the symptoms of the problem rather than deal with the fundamental causes, energy production and use in Canada.

We have joined other nations in blocking a proposal to put environmental controls on international corporations. It is fine to talk about sustainable development, but where was Canada when GATT decided that environmental protection was not necessarily an acceptable

trade impediment? Where are we in our argument for an integrated environmental—

[*Translation*]

Madam Deputy Speaker: I am sorry but the hon. member's time has expired. The hon. member for Portneuf.

* * *

THE BATTLE OF VIMY RIDGE

Mr. Marc Ferland (Portneuf): Madam Speaker, next week, the Prime Minister, President Mitterand of France and a dozen very special veterans will attend a ceremony at Vimy Ridge, the site of the inspiring victory that took place 75 years ago. The veterans of Vimy will be represented by the few that remain of those who fought at Vimy Ridge and covered their country with glory.

Madam Speaker, I wonder whether they remember the promise made by Prime Minister Robert Borden before the battle of Vimy Ridge in 1917. He said that government and country would consider it their sacred duty to ensure that Canadians would appreciate to the fullest their efforts and courage and that no soldier, whether he returned to Canada or remained in Flanders, would be able to say the government did not keep its word, both to those who came back victorious and to those who died.

Madam Speaker, I trust that subsequent governments have done their best to keep this promise. When we think back 75 years, we should not forget that although our gratitude knows no limits, nevertheless—

Madam Deputy Speaker: I am sorry but the hon. member's time has expired. The hon. member for Trinity—Spadina.

* * *

[*English*]

MEXICO

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, why is the Canadian government rushing to sign away Canadian jobs and sovereignty to Mexico, whose government imprisons its citizens for peacefully demonstrating on behalf of workers and farmers?

Senor Luis Aguilar Salazar was arrested on March 17 during a peaceful protest demonstration. He is a candidate of the opposition PRD for the local congress. He is also a counsellor to the Frente Democratico Campesino, a peasant group supported by Canadian NGOs. He was charged with criminal offences relating to a previous peaceful demonstration of peasants.

He is now known in Mexico as the first political prisoner of the North American free trade agreement because President Salinas fears public demonstrations.

I call on the Prime Minister to demand that President Salinas release Senor Aguilar Salazar and stop the police from harassing critics of the government.

* * *

SERVICE CHARGES

Mr. Girve Fretz (Erie): Madam Speaker, the most recent report from Statistics Canada is critical of the increase in service charges, which have tripled service charge revenues in chartered banks since 1980.

My constituent, Al Deruiter, owner of the Port Colborne Catering and Vending Company, will not be surprised at this. Mr. Deruiter, quite rightly, objects to paying $2.15 per $100 for rolled and counted coins when sorted currency is $1.40 per $1,000. He now has an added cost of $150 a month, a cost he can ill afford.

Service charges are destroying relations between business and bankers at a time when the business community should be working together. I plead with the Minister of Consumer and Corporate Affairs to consider this matter seriously and to take appropriate action.

* * *

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, yet another deadline is going to pass and the Uruguay round of GATT negotiations will remain unresolved. I urge the government to keep maximum pressure on GATT participants to stress the importance of strengthening and clarifying article XI.

The Prime Minister is obliged to personally explain Canada's balance position to President Bush, but this has yet to happen. Meanwhile, the anxiousness of Canadian farmers in the agrifood industry is increasing. This uncertainty must not continue, as the cost is too great. I urge the government to get the job done.

S. O. 31

BORDEN CATELLI LTD.

Mr. Rod Murphy (Churchill): Madam Speaker, the announcement by the U.S. pasta company Borden Catelli Ltd. that it will close its plant in Winnipeg is more bad news for the food processing industry in Manitoba.

What is more frustrating about this closure is that it could have been avoided. Other groups, including the employees, have indicated they would buy the factory and keep the plant working. However, Catelli refuses to sell the plant. Instead, the factory will be stripped, the empty building will be sold and the jobs will be lost.

The attitude of this American company is disgraceful. It shows what little loyalty American companies have to Canadian workers and for the communities that are devastated by such arrogant moves.

The provincial Conservative government is standing aside and doing nothing for Manitoba on this issue. What will it take for the Conservatives to stand up for the farm families and the workers? If a U.S. company will not maintain a Canadian factory, it should be required to sell to those who are willing to buy it. If the Conservatives will not support Manitoba workers, they should hand over the government to somebody who will.

* * *

• (1110)

NORTH ATLANTIC TREATY ORGANIZATION

Mr. Jim Karygiannis (Scarborough—Agincourt): Madam Speaker, I rise today to bring to the attention of Parliament a matter that is of great concern to many Canadians and citizens of other countries, namely the intention of the government to further weaken its position of respect in the world by pulling out more peacekeeping troops from NATO.

There are press reports citing a spokesperson for the Secretary of State for External Affairs stating the opinion that the Canadian peacekeeping troops in Cyprus should be removed since, and I quote: "There doesn't seem to be much progress nor effort at times being spent by the parties concerned to come to a resolution". I would like to ask the minister on what facts she bases this assertion or lack of effort on in light of previous assurances that the government was not planning to remove the troops from Cyprus.

I would like to know what has changed. Canada's commitment to ensuring a peaceful settlement of the dispute in Cyprus must not be weakened by short-sighted cost-saving measures.

* * *

VETERANS AFFAIRS

Mr. Brian O'Kurley (Elk Island): Madam Speaker, I want to congratulate Veterans Affairs on the television ad it has produced to commemorate the 75th anniversary of Vimy Ridge. Veterans in my riding have often complained that Canadians are not taught enough about our own history. They say that our kids know more about American victories than our own.

That is why it is so refreshing to see us telling the story of one of the greatest victories in our history. Seventy-five years ago this week the Canadian Corps succeeded where other armies had failed and showed the world what a young country called Canada could accomplish.

I am also delighted that Canadians will also have the chance to learn more about the Dieppe raid. Fifty years ago this year Canadians were chosen to test Hitler's Fortress Europe and, like the Canadian Corps at Vimy, our forces responded with great courage and discipline.

These campaigns have left us with an enduring lesson for, as the commercial says about the Vimy victory, "This is the spirit of Canadians working together".

* * *

RAILTECH LTD.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, this government is about to embark on yet another silly, expensive and wrong-headed cross-border shopping trip. Some months ago, the government announced that it was tendering for the construction of the space agency in Montreal. Railtech Ltd., a manufacturer in my riding, was pleased that it was going to have

an opportunity to bid for the curtain walls of the space agency. However, it now appears that the government will award the $1.5 million contract for curtain walls to a U.S. supplier. Worse yet, it is not reciprocal. Similar products made by Railtech cannot be used in many contracts for rail cars in the United States, for instance, because of a "Buy American" policy that many cities and state jurisdictions have.

This government has to answer why it is continuously exporting Canadian jobs south of the border.

* * *

INTERNATIONAL CRIMINAL COURT

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, last week I had the privilege as a parliamentarian, representing Parliamentarians for Global Action, to attend a meeting in Italy on a proposal to create an international criminal court. Members of the International Law Commission of the United Nations, distinguished diplomats, expert law professors from all over the world, including Professor Sharon Williams of Canada and Cherif Bassiouni of the United States, legal advisers and judges put forward a proposal for an international criminal court and a model international criminal code to go with it. Surely this is an idea whose time has come.

Take the current problem of the Libyan nationals accused of blowing up western airliners, including the Pan Am jet over Lockerbie, Scotland. Clearly, there is some doubt whether the Libyans could get a fair trial in Libya and Libya is reluctant to surrender them to a U.K. or a U.S. court. The solution is a world criminal court.

Take the case of international drug dealers, genocide or criminal environmental acts like what we saw during the gulf war, cases again for such a court.

Madam Speaker, I call on the House to urge the Government of Canada to support at the United Nations Sixth Committee this fall the proposal for an international criminal court, an idea whose time has come.

Madam Deputy Speaker: I regret the hon. member's time has expired.

S. O. 31

MERCHANT MARINERS

Mr. Lee Richardson (Calgary Southeast): Madam Speaker, I rise to offer congratulations. Last week we were given the welcome news that merchant mariners were to receive veteran status and, of course, all of the benefits that flow from that status. I congratulate the leaders of various merchant navy organizations and associations for winning what had been a long and frustrating fight for equal status.

I also congratulate the Minister of Veterans Affairs for giving merchant mariners attention and justice. In November we had another instance of veterans winning a lengthy fight when Korean war veterans belatedly received a Canadian Volunteer Service Medal. Just like the merchant mariners, the Korean veterans had been turned down by government after government. In contrast, this government and this Minister of Veterans Affairs find solutions, not excuses. I wish to congratulate him.

* * *

CANADIAN ARMED FORCES

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, last week the Department of National Defence announced that it will consolidate armed forces supply depot operations by moving the Toronto and Moncton depots to Montreal.

In February 1990 a private research consultant was paid by the Department of National Defence to examine depot consolidation. This study, which examined operational costs, freight distribution costs, real estate values and construction costs concluded that both the Montreal and Toronto depots should be closed down and I quote: "The site for the new facility should be within the proximity of the city of Kingston, Ontario".

What is the point in paying private research consultants to carry out detailed technical evaluations of military operations when their recommendations are ignored for political purposes? What is the point in arguing that the government and national defence are doing all they can to be cost effective when ministers can override decisions which save Canadians millions?

Canadians are demanding cost effective, efficient government. Instead, all they get from this group is empty rhetoric, broken promises and patronage for Tory fat cats.

ORAL QUESTION PERIOD

[*English*]

FISHERIES

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the minister of fisheries concerning the so-called offers made by the European Community yesterday on overfishing.

We know the minister has characterized these offers as an insult and a political gimmick. The bottom line is, these are not offers. They are a slap in the face to Canadian fishermen. We know the minister can deliver on rhetoric.

What we would like to know today is what action he specifically intends to take to tell these Europeans that these offers are a joke and that we want real action.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, we have received no offer from the European Community as yet. There are reports in the newspapers that the commissioner for fisheries is to suggest to the ministers of fisheries of the European Community, who are meeting, that some kind of an offer be made to Canada, that they would reduce by some percentage their quota for northern cod.

Since they have no proper quota for northern cod outside 200 miles, since they are ignoring a moratorium with respect to cod that was imposed by NAFO, the international body for the area that manages fisheries matters, and they have been ignoring that since 1986, we can hardly be impressed by their suggestion that they would reduce their quota.

In addition, the facts are that on March 16 the European Community issued a report with respect to surveillance and enforcement of their own European Community waters and they frankly admitted that they are unable to enforce their own rules in their own European Community waters. If they are unable to enforce the rules on Spain and Portugal in their own community waters, what must the situation be with respect to surveillance and enforcement outside 200 miles?

Such an offer is obviously not one that we are interested in. Number one, they have no quota to offer us to reduce and number two, they have no powers of surveillance and enforcement over Spain and Portugal. This is not anything in which anyone is going to be fooled.

With respect to action—

An hon. member: Time.

Mr. Crosbie: Well, I will get to action if the hon. lady ever gets to a sensible question.

Ms. Sheila Copps (Hamilton East): Madam Speaker, the minister may sit there as a puffed up sculpin, which is about the level of his reaction to date. I want to ask him this question. He has just made the case very specifically for Canadians to take custodial management of our own waters and the nose and tail of the Grand Banks.

Given the minister's vicious attack on the plan yesterday, which we in fact agreed with, given his assessment of the non-offers by the Europeans, will he today declare custodial management over the nose and tail of the Grand Banks?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, I would prefer to be a sculpin than a blow-fish.

Some hon. members: Oh, oh.

Madam Deputy Speaker: The hon. minister.

• (1120)

Mr. Crosbie: Madam Speaker, the first thing I do in the mornings is not necessarily read Jeffrey Simpson. That is something I would rather do in the evenings so that I have time to contemplate the points that are being made.

I will just give you some idea of the action being taken. For two weeks now we have invited and arranged for European journalists to visit Newfoundland to see for themselves the effects of the actions of the European Community with respect to our fishing industry.

We are pressing in New York our resolution with respect to the rights of the coastal state to manage straddling stocks.

This week we had Premier Wells down there as a witness. We are quite willing to use anyone at all who is interested in this issue to make our point, so we are pressing this resolution before international bodies. We are continuing our diplomatic approaches in various capitals.

The Prime Minister himself will be taking this matter up with Mr. Delors, the president of the European Community on April 23 when he meets President Mitterrand and other leaders of the European Community. There is a very vigorous campaign under way in connection with this issue.

We first have to persuade the rest of the world that it would be right for us to extend fishery jurisdiction before we take that step, because at the present time the rest of the world does not recognize the rights of anyone to manage fishery resources beyond the 200-mile economic zone provided for in the Law of the Sea Convention.

Ms. Sheila Copps (Hamilton East): Madam Speaker, I am sure the Prime Minister will be happy to know that the minister would rather be a sculpin than a blow-fish.

Since 1986 the Europeans have ignored a moratorium on fishing. They have ignored international law. They have ignored NAFO. Once again, in the House today, we heard the minister saying he wants to talk this thing through diplomatically.

Has he not understood, by the results of these insulting offers, that the time for talk is ended, the time for action is now and we, as Canadians, must extend custodial management over the nose and tail of the Grand Banks today?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, I am very pleased to hear the hon. member say that she is against rhetoric, but she should certainly start to apply it to herself.

With reference to this situation, we are proceeding by diplomatic means to try to settle this issue, which is the normal way that civilized countries, particularly of the democratic persuasion, proceed.

If using diplomacy bilaterally and multilaterally in every way that we can, we still fail to achieve our objective then we will have to consider whether some kind of unilateral action will have to be taken or not. At that stage, we would want to have the majority of the world's countries support what we are doing in the realization that we have made every other possible effort to solve this situation by peaceful and diplomatic processes.

Canada is a country that believes in peacekeeping. Canada is not a country that believes in the use of violence and force. We are not trying to settle this matter—

Ms. Copps: Who said violence?

Mr. Crosbie: Well, if we say that we have a management regime beyond 200 miles and we tell some country that it cannot fish or it can only catch a certain amount of fish beyond the 200 miles because that is our management regime and it says we do not recognize it what is the next step?

Everything the hon. member says is replete with the use of the threat of force if other countries do not accept our management regime. Let us be sensible, drop the rhetoric. Let us get on with the kind of campaign that we are waging. If that fails to be successful—

Madam Deputy Speaker: I think we should go on.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, my question is also for the Minister of Fisheries and Oceans. I would preface it by saying that surely by this time he should realize that his approach has failed. When is the government going to do something about it?

I want to also say, with great regret, that the mishandling of the fishery on the east coast is now being repeated on the west coast. I have correspondence from Canadian officials to their U.S. counterparts on the Fraser panel which says that the U.S. quota this year should be 360,000 fish. The U.S. response is that it intends to authorize 870,000 salmon being caught, a clear repudiation of its obligations under the salmon treaty.

I want to ask the minister this question. Considering the important loss this will represent to the west coast fishery, why is the minister and this government allowing the U.S. to repudiate its U.S. treaty obligations? Why is it allowing the U.S. to overfish the west coast salmon stocks?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, one listens to these questions with incredulity.

We are said to be allowing the U.S. to do this and allowing the U.S. to do that. Surely the United States does not seek the permission of other countries when it decides whether it is going to observe a treaty or violate a treaty, so we are not allowing the U.S. to do anything.

In fact, we are disagreeing with the U.S. forcefully with respect to its suggested attitude to the Pacific salmon treaty. That treaty clearly states that the U.S. catch of Fraser River sockeye is to be capped at seven million between 1989 and 1992. The treaty says that the catch includes Fraser River sockeye wherever they are caught, including Fraser bound sockeye caught in Alaskan waters.

The United States wishes to make a change now. It says it does not intend to include Fraser River bound sockeye which were harvested in Alaskan waters over the past three years as part of the seven million allocation. That would obviously be a breach of this treaty and we are strenuously objecting.

We will take what action is necessary to counteract it if the United States attempts to do that. We are not allowing the Americans to do this. The opposition is not allowing it. The opposition's rhetoric is really very, very careless.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, the minister is certainly right when he says he is not a blow-fish.

He is a head-waiter to other countries, simply allowing them to break their treaty obligations and to go ahead and unilaterally assert their right to overfish the Pacific salmon fishery.

I want to ask the minister a question. If the government is so intent on asserting its rights, will the minister undertake direct representation to his counterpart in Washington? Will he be calling in the U.S. ambassador? Will he be taking action at the ministerial level in order to ensure that the fishing season which starts in a matter of weeks will not find itself with the Americans putting the boots to Canadian fisheries like he has done on the east coast?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): The hon. gentleman reminds me of a puff-fish, not a blow-fish.

With respect to this question, this is a matter that we are taking up with the United States, using the usual means by which one takes up matters with neighbours and friends and those who one has treaties with.

We are making it very clear to the United States that it has left only 360,000 sockeye if it observes the provisions of this treaty. That is our position, and we continue to put that to the United States.

It is deplorable that the Americans do not seem to want to observe obligations that they enter into solemnly. This is not something that has happened in connection with the salmon treaty, but that does not mean to say that one cuts off all relationships with the United States.

We have to remind ourselves that it is the market for 75 per cent of our exports, no matter how much the hon. gentleman from Winnipeg huffs and puffs. The way he huffs and puffs, the only house he is going to blow down is his own.

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SOFTWOOD LUMBER

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Minister for International Trade.

This week a delegation of New Democratic members of Parliament, at their own expense, met in Washington with American government and industry officials regarding softwood lumber.

They were there, of course, because thousands of jobs are at stake and are being threatened by U.S. harassment on the softwood lumber issue.

What this delegation found was that the U.S. government and the industry are really demanding the wholesale export of raw logs from Canada into the United States. The wholesale export of raw logs means the export of Canadian jobs.

My question for the minister is this. What has the Canadian government done to make it very clear that we will not accept this demand, and that we will not accept free trade in logs?

• (1130)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, what we have done on the broad softwood lumber issue is to take the Americans to the GATT on three issues related to the softwood lumber issue.

We have also vigorously challenged the countervailing duty action, working with the provinces and with the industry as it relates to the injection of the log export controls as a countervailable subsidy.

We have objected strenuously to the U.S. administration and pointed out to them that in 1983 and in 1986 there was no suggestion that log export controls were a countervailable subsidy. In this case they brought this in and we are pointing out to them that it looks to us that they want to see a result at the end and they are using all means to arrive at that end result.

What is most ridiculous about the position of the Americans on this is that they have log export controls themselves. We are pointing out that discrepancy between the two positions they have taken.

I think the leader of the New Democratic Party can be absolutely sure that we are taking the strongest possible action that we can to fight this one.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the minister of course is quite right when he says that the American federal government has its own ban on the export of raw logs. But it seems clear both through the industry and through the Bush administration's initiated action on softwood lumber that they are trying to use the fact that certain provinces have a ban on the export of raw logs as constituting an effective subsidy.

I am pleased that the minister says he is fighting this vigorously but this is a very serious issue. It does affect Canadian jobs and Canadian sovereignty. Americans are protecting American sovereignty and American jobs.

The minister says he is standing up for Canadians on this particular issue but what action is he prepared to take to ensure that Canada's position is put forward very forcefully on behalf of Canadians?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I do not understand the question. I just stated what the actions were. If my hon. friend has any further suggestions based on her colleagues' trip to Washington, let her put forward those proposals.

In the GATT there are the actions we are taking against the countervailing duty action by the United States.

There is also the promotion campaign we have in the United States ensuring that Americans understand the result of this countervailing action that it is causing an increase in the price of lumber. It is causing an increase in the price of houses at a time when they are trying to get the U.S. economy going.

What I said when I commented on this in Atlanta a couple of weeks ago was that the Americans are shooting themselves in the foot with the actions they have taken.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the minister is aware I am sure that there is a very strong feeling both in the government administration and in the industry that the wholesale exportation of raw logs from Canada is the ultimate aim.

Certainly both of those groups told our delegation very clearly that, even if Canada were to win in this particular dispute this time, in two years they would continue the harassment on this because that is the ultimate aim.

It is a question of whether we Canadians can have control over our own economy to build up the secondary industry that we have to do. It is absolutely essential that the government assure every Canadian that we are not going to export our jobs and that we will have an economic strategy that means there will be Canadian jobs and secondary industry in this country.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I appreciate the words of support that the hon. member is providing for the positions we are taking.

It is precisely because we wanted to have that sovereign control over the management of our forest industry that we took the decision to terminate the memorandum of understanding, I should say strictly according to its terms.

We are in full agreement with the sentiments she is expressing. We are working closely with the provinces and the industry to put forward the strongest possible case. I say to her again, if she has any suggestions as to how we can strengthen our case, I would welcome them.

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FISHERIES

Hon. William Rompkey (Labrador): Madam Speaker, my question is for the Minister of Fisheries and Oceans.

He has reacted to the European Community suggestion that cod quotas should be cut as a political gesture with the words insult, provocation and subterfuge. Those are tough words. The question is: Why is the minister not acting as tough?

If he says we have to be civilized little Canadians going on negotiating for years and years, I remind him that Iceland, one of the oldest democracies in the world and hardly a warmonger, asserted its rights when diplomacy failed.

Why is he on behalf of the Government of Canada not willing to assert similar rights for Canadian fishermen?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, the rhetoric is certainly flowing strongly this morning.

With respect to the way of proceeding, I believe in the old adage, speak softly and carry a big stick.

Ms. Clancy: Where is the big stick?

Mr. Crosbie: Well, the big stick will be produced when speaking softly no longer works.

An hon. member: It is not working John.

Mr. Crosbie: With reference to the hon. gentleman's question, what course of action is he suggesting we adopt that we are not adopting now?

We have a resolution before the United Nations Conference on Environmental Development which, by the way, originated in a meeting we called in St. John's, Newfoundland two years ago to start this process. We have convinced 40 other countries to associate themselves with this resolution that would resolve the problem.

We have been dealing with the European Community on a diplomatic level for several years. The Prime Minister is going to carry on intensive discussions of this issue with leaders of the various European Community countries. We have had the foreign media over to Newfoundland to see with their own eyes what the situation is so they can explain it at home.

This is the course of action we are on. What is wrong with our course of action? What more does the hon. gentleman think we can do at the moment?

Hon. William Rompkey (Labrador): Madam Speaker, it is very clear that the course of action is not working. It has not worked and is obviously not going to work.

What I fail to understand is that the way he talks is not in the character of the minister. He is not that kind of person. Why does he not admit now, the same as Iceland did, that diplomacy has not worked, is not going to work and we must take unilateral action to assert the rights of our people now.

The difference between us and him is that he feels at some point in the future we have to take action. We say take it now.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, if we are going to appeal to history we should at least have it accurate.

When this situation occurred before, when there was a huge fishing effort on the stocks in the northwest Atlantic in the 1960s and 1970s when the hon. gentleman's government was in power, they took in excess of 1,800,000 tonnes of codfish from the northwest Atlantic.

During that period there was a negotiation for 10, 12 or 14 years to achieve the Law of the Sea Convention. Then the hon. gentleman's government entered into an agreement with the European Community in 1977 to

give the European Community the right to fish within our 200-mile limit. That did not expire until 1986.

When they were in power they were not the powerful tigers, the ferocious, violent desperadoes they want to say that we should be, now that we are in power. When they were in power they did not act in the way they are now advising us to act.

We are pursuing diplomacy and as long as the diplomatic efforts have a chance to succeed, that is the route we are going. Canadians are not a people who resort to force and violence. We are peacekeepers and that is the course we are going to continue on.

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TRADE

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, my question is for the Minister for International Trade. I want to ask the minister about these trade wars that Canada is losing.

Canadian-made computers have become the latest target of U.S. protectionism. The Canada-U.S. Free Trade Agreement was supposed to protect these industries, but instead they continually find themselves in trade disputes.

I want to ask the minister: Did the minister tell his American counterpart at the NAFTA negotiations that he was unwilling to open up Canadian computer content rules?

• (1140)

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, this is a proposal that was put on the table during the NAFTA negotiations. It is a rule that is a good deal more restrictive than has been the case under the FTA.

We rejected it at the negotiating table. At the meetings next week when I will be meeting with my counterpart from the United States I propose to reiterate that rejection. It is something we do not accept.

Mr. Bob Speller (Haldimand—Norfolk): Madam Speaker, the minister seems to be unaware that Canada is in a trade war. Look at lobster, softwood lumber, steel, wheat, salmon, Hondas, beer, computers and the list goes on.

When will the minister wake up to the reality that Canadians do not have faith in him to protect their interests in international trade? When will he take some real action against the Americans on these issues?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, this sort of a question does nothing to further the debate. We have taken specific actions that have successfully defended the rights of the people in his constituency.

In the pork countervail action where we were being beaten by the Americans through their process, we took it to the dispute settlement panel and we won. They took it back. We won a second time. What has happened is that the Americans have paid back the duties to the pork producers.

That is one example, that I spell out in detail, of how we have protected the interests of Canadians and particularly the interests in his community. We are continuing to fight these battles whether it is in softwood lumber, whether it is in Honda, whether it is in magnesium, whatever the actions are.

I just point out to my hon. friend when you have the largest single bilateral trading relationship in the world, you do have these disputes. What we do have now that we did not have before in the free trade agreement is a dispute settlement panel which makes binding decisions which have affected Canada very positively.

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FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, Friday is fish day so I would like to go back to the Minister of Fisheries and Oceans.

Manuel Marin, the European fisheries commissioner said that the European Community has volunteered to have the evidence on stocks and EC damage to them examined by the scientific committee of the Northwest Atlantic Fisheries Organization but Canada refused.

That statement left as it is could be damaging. I invite the minister to comment on it.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, with respect to this question, when we started pressing the European Community in January 1989, after the half-sacked report of that year in connection with this matter, their first line of

defence was that these were findings by Canadian scientists not necessarily agreed to by the European Community scientists. Therefore, we said that was fine.

All that information is available to the NAFO scientists. We are making it available to the European Community scientists. We have made all of our information fully available to the scientists of the European Community.

We have just had Ambassador Gherson and the chief of our science branch visit the European Community, Spain, Portugal and the United Kingdom to go over all of this material and evidence with them.

This is simply an excuse dredged up by the European Community suggesting that there should now be a meeting of the NAFO scientific committee. The NAFO scientific committee will be meeting in any event and we will be there.

All of our information is available to anyone that wants it. We have not had any disagreement from European Community scientists with respect to our information. There has been no disagreement in the last several years. So this is just an attempt to confuse the issue.

The evidence is plain. Last year we had a quota of 190,000 tonnes for northern cod and we could only catch 127,000 tonnes. Who needs more evidence, scientific or otherwise, than the fact that the fish are not there to be caught?

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, the minister's last statement indicates we are out of fish. Yet the European Community seems to be catching more than its quota every year which would seem to indicate their stocks are in good shape.

In any case, I wanted to ask a question of the minister. There has been a lot of talk. He spoke on March 30, as reported in *Hansard* at page 9017, about other methods and he has been talking about that today. Before we get into those other methods, could the minister tell us what is the level of support we are getting in NAFO itself?

There are 10 members, one of them being the EC. What about the other nine members? Are they supportive of our position or not? How about the European Community itself? Are there any members of the European Community that will support us in this fight before we have to resort to these other methods?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, with reference to NAFO, I believe there are either 12 or 13 members of NAFO. All the others have been supportive of our position and have accepted NAFO quotas.

The one exception is the European Community, has refused, ever since Spain and Portugal joined the European Community in 1986, to accept the decisions of NAFO with respect to the northern cod and with respect to certain flounder, redfish stocks, and American plaice. The other countries involved have been supportive of conservation measures and of NAFO decisions. That is the position up to the moment.

With respect to the other members of the European Community, I have to report frankly that we have not received any enthusiastic support from them. I have visited the United Kingdom, for example, France and Germany. Their ministers are sympathetic when we are there but they never take any steps at the internal meetings of the European Community to raise this question or to put pressure on Spain and Portugal to stop these practices.

That is why we are asking them now at the very top, that is when the Prime Minister meets with them, to put pressure on Spain and Portugal to act like civilized countries and not despoilers of the environment and destroyers of certain animal species that are going to disappear if their actions do not cease.

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NATIONAL REVENUE

Mr. Girve Fretz (Erie): Madam Speaker, my question is for the Minister of National Revenue. The town of Fort Erie and the Peace Bridge Authority have both made

representations to me with regard to the special designated lanes to speed up traffic.

Since this method has proven to be very successful, will the minister inform the House today whether he will continue with the designated lanes program?

Hon. Otto Jelinek (Minister of National Revenue): Madam Speaker, as the hon. member knows, these initiatives were put in place as a result of extensive consultations with the border communities. As a result of the implementation of these special tourist lanes, both the tourist industry as well as the border communities have accepted them as being very beneficial.

In fact the mayor of Fort Erie stated just the other day, and I will quote briefly: "The special tourist lane put in place to respond to traffic problems has been extremely successful".

With endorsements like these of course we are going to continue to keep those tourist lanes in place wherever applicable and wherever necessary.

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MURATA ERIE

Mrs. Christine Stewart (Northumberland): Madam Speaker, Trenton, Ontario in my riding has been devastated in the last months by the loss of hundreds of jobs. Trentonians have had enough and today as I speak hundreds are demonstrating in the streets asking for assistance.

The cause of today's demonstration is the announcement by MuRata Erie on Wednesday of this week of the closure of its plant and the loss of its last 300 jobs.

My question is for the Minister of Industry, Science and Technology. Since 1987 MuRata Erie has been the recipient of more than $1 million in government defence industry subsidies under DIPP. Will the government commit today to use MuRata Erie's DIPP funding in conjunction with a portion of UI benefits to go to employees and work with the community of Trenton to convert MuRata Erie's site and available human resources to a new peacetime productive activity?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, no one is happy when they see the lay-off of people from a company that is an important employer in a community.

What my hon. friend has suggested is something that we have been doing. We have been working with companies that have been active in the military field to try to help them to make a transition into non-military products. The program that has been used by and large has been the Defence Industry Productivity Program which does provide for that type of funding of research projects that provide the base for employment in new fields of activity.

• (1150)

If my hon. friend wants to encourage this company, MuRata Erie, to come to the government with a proposal, we would certainly look upon that with great interest.

Mrs. Christine Stewart (Northumberland): Madam Speaker, the MuRata Company has announced its closure and we are hoping that this minister will use DIPP funding to help the community to convert that industry.

Last week the Citizens' Inquiry into Peace and Security in its report entitled *Transformation Moment* called for a national economic conversion effort targeted at our defence industries. Our own leader and party have consistently called for conversion and global arms control initiatives.

Will the government commit today to bringing forward a security policy green paper response to these critical issues and demonstrate how it intends to respond in a meaningful way to Canadians' concerns for conversion of our defence industries and the promotion of global arms controls?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Madam Speaker, I think my first answer responded in part to her second question.

The Prime Minister has taken an active position on arms control and the importance of reducing the levels of armaments, particularly in the so-called hot spots of the world. Our international actions and activities are dedicated in that direction.

As far as internally or domestically is concerned, the Canadian military industry or the Canadian high-tech industry is much less reliant on military than many other countries. We do not have nearly the same challenge as

other countries do in transforming companies from military purposes to non-military purposes.

Just to repeat my earlier answer, the Defence Industry Productivity Program is set up to help companies make that transition. I would encourage the member to work with the people of MuRata Erie to see whether there is some basis on which we can provide funding.

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EMPLOYMENT

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my question is for the Acting Prime Minister.

In Winnipeg and in virtually every other major Canadian city there are waiting lists for training programs of two years or more. These Canadians want training so that they can get jobs.

Despite this, the government has cut $100 million from its Canadian Jobs Strategy this year on top of the $100 million cut last year, affecting the disabled, immigrants, and those people who are social welfare recipients.

The co-chair of the Canadian Labour Force Development Board has said that this contradicts stated government policy to improve global competitiveness. What precisely is this government prepared to do now to eliminate those waiting lists and to provide jobs for Canadians?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, it is incredible that people would stand up in this House and lead Canadians and unemployed people out there to believe that we are actually spending less money to train Canadians than in the past, when in fact people ought to know that political party opposed this government trying to provide more funding for training unemployed Canadians.

The result is that this year we have increased the funding, the over-all training budget, by $300 million. It is $1.8 billion that will be spent under the unemployment insurance fund to train unemployed Canadians.

If the hon. member is trying to suggest that we are doing less, I do not think he is telling the truth.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my supplementary question is for the same minister.

We must remember that there are over 1.5 million Canadians who are unemployed at this very moment. There are more Canadians unemployed than there were before and there is less money per capita being spent.

In the last Speech from the Throne the government stated: "Governments will be asked to develop a learning culture to equip Canadian men and women to participate fully in creating and sharing Canadian prosperity".

How then can a $200 million cut in training, coupled with a $250 million cut to colleges and universities, the continuation of the GST on books and other learning materials, adding six months' interest to student loans and cutting $66 million from the SEED program since 1985, achieve more competitiveness, increase productivity, and create a learning culture? How?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Madam Speaker, the Liberals are at it again: increase the deficit, mortgage the future of Canadians, or increase taxes the old Liberal way.

Canada is spending close to $50 billion a year on learning and training. Only one country in the world spends a little bit more—Denmark. Yet when we consider the learning and training system in Canada, we find that we are slipping in comparison to our international competitors.

In the prosperity initiative we are seeking stakeholders in the economy, educators, individual Canadians, labour, business and government to work together to try to identify and come up with an action plan which will result in a bigger bang for the buck. The money is there. The issue is: let's spend smarter, not more like the Liberals would want us to do.

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NATIONAL REVENUE

Mr. Rod Murphy (Churchill): Madam Speaker, my question is for the Minister of National Revenue.

During the last few weeks I have given the minister and his department documents outlining the Green Party's and the Reform Party's dangerous abuse of the political tax credit. Despite the fact that we support the right of Canadians to give to causes of political parties of their choice, I am very concerned about the precedent setting loophole that has been created.

Will the minister confirm what he has said to me in private, that his department is powerless under the present Elections Act to close this loophole, and ensure that taxpayers' money is only used for electoral purposes or for the purposes of supporting the ongoing operations of political parties?

Hon. Otto Jelinek (Minister of National Revenue): Madam Speaker, no new loophole has been created. As the law now stands, I want to make it very clear that if a contribution is made to a political party in cash or a negotiable instrument, issuance of a political tax credit is appropriate.

However, if a political contribution is made to a political party, through a political party to another organization for other purposes, then it is inappropriate to issue a tax credit.

Having said that, we are always anxious to improve on any law. Because of numerous recent allegations on this matter, I have spoken to the Chief Electoral Officer as recently as yesterday. I have asked him to review the whole matter of issuance of tax credits throughout the Elections Act, and because of these allegations I would be happy to discuss the matter with my colleague, the Minister of Finance, and review the Income Tax Act as well.

We are always willing and anxious to improve the law whenever we can.

Mr. Rod Murphy (Churchill): Madam Speaker, further to the minister's response, I have also talked to Elections Canada along with Revenue Canada and I believe it is the law that has to be changed as a result of that.

My supplementary question is for the chair of the committee of the House of Commons that is looking into electoral reform. Will the member ensure that the committee gives special attention next week to ensuring that we close this loophole and that the legislation be amended in a way that taxpayers' money is only used for the ongoing operations of political parties and for electoral purposes, the purposes that legislation was set up for in the first place?

Mr. Jim Hawkes (Calgary West): Madam Speaker, I have been here 13 years and I have never had the chance to answer a question in Question Period before.

Some hon. members: Hear, hear.

Mr. Hawkes: I guess I have about two and a half minutes. I want to thank the member for the question.

The House in its wisdom put together a committee to review the Elections Act. All parties chose experienced members with long experience in politics and in this House. I detect a predisposition in members of all parties to do several things. One is to continue a tax credit system because it establishes a broad base of support for the political process. Instead of a few people with a lot of money controlling it, it belongs to the people. I think we are all agreed with those kinds of clauses.

We do have suggestions from the Lortie commission about a clause for change that would do a great deal of what the member is suggesting.

• (1200)

I would go one step further and say, not just for political parties, but if the receipt is for a tax credit at the federal level, then the money should be spent for federal purposes only. If it is provincial, it should be provincial purposes only.

In today's *Quorum* you will note that the Reform Party of Canada in Alberta claims it is not running any candidates but it has been registered and has been given the power to give tax receipts for provincial purposes. Maybe the provinces should look at this as well.

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HARBOURS

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, the last question of the day is for the Minister of Fisheries and Oceans.

According to the main estimates tabled in the House of Commons, 70 per cent of the entire small craft harbours' budget for the province of Newfoundland and Labrador from March 1991 to March 1992 was spent in one constituency in the province of Newfoundland and Labrador.

How can the Minister of Fisheries and Oceans say that he is behaving in a manner that is fair to all fishermen in Newfoundland and Labrador when 70 per cent of the

budget in that province went to one constituency, the minister's?

Some hon. members: Shame.

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, I have not heard of this before. My staff must be doing an outstanding job.

With respect to this matter, I am certainly very prepared to have a breakdown done of all spending on small craft harbours in all parts of Newfoundland and Labrador. There was one major project done in St. John's West, the only one in 100 years in the city of St. John's, when a small craft facility was completed in the city of St. John's last year at Prosser Rock.

It is being used by boats from all over the province. The hon. member mentions Ming's Bight. It is very close to my heart. I wish that Ming would bite a lot of other people over there as well.

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POINT OF ORDER

ANNUAL HOCKEY GAME

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Madam Speaker, on a point of order, with the NHL action suspended due to the player's strike, hockey *aficionados* were riveted last night to the annual contest between the parliamentary pages and members of Parliament. For a change, the "Page Pacers" gave us a game.

Brett Ballah, Brad Rylder, André Thomas, Geoff Pearcey, Davit "Elbows" Akman, Carlo Spadafora, Wade Aucoin, Serge Melanson, Carol Middleton, Patrick Folz, Pierre Joyal, Jake Irving, Daniel Léger and Matthew Breech for a change provided the toughest competition in years.

It was not tough enough, however. Physical fitness and athletic prowess prevailed. Members of Parliament Bill Rompkey, David Dingwall with two goals and five goal posts, Lorne Nystrom very briefly, Pat Sobeski, Doug Fee, Brian Alexander O'Kurley, Willie Littlechild and I scored three unanswered goals in the final minutes of the game to win 7–4.

The MPs received only modest assistance from former MP and national team member Leo Duguay, gold medalist Alwyn Morris and goalie Tony Baldinelli from Rob Nicholson's office.

Mike Richardson played for the pages, and our thanks to Bob Allen from *Hansard* who handled a very enjoyable and penalty free game.

Some hon. members: Hear, hear.

Madam Deputy Speaker: Of course this was not a point of order, but we were delighted to hear of this event. We thank our pages.

ROUTINE PROCEEDINGS

[*English*]

INTERPARLIAMENTARY DELEGATION

11TH REPORT OF CANADIAN NATO PARLIAMENTARY ASSOCIATION

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Madam Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the 11th report of the Canadian NATO Parliamentary Association.

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ELECTORAL BOUNDARIES READJUSTMENT SUSPENSION ACT

MEASURE TO ENACT

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons) moved for leave to introduce Bill C-67, an act to suspend the operation of the Electoral Boundaries Readjustment Act.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Andre moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

VICTIMS OF CRIME COMPENSATION ACT

MEASURE TO ENACT

Mr. John Brewin (Victoria) moved for leave to introduce Bill C-341, an act respecting compensation for Canadian victims of crime travelling or posted abroad.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Brewin: Madam Speaker, this is precisely the same bill I introduced earlier in the session but it did not receive the approval of the House on second reading so I am trying again.

The bill is designed to establish a criminal injuries compensation fund that would cover Canadians who are working or travelling abroad. At this point Canadians are only covered at the provincial level for injuries received at home, but if Canadians are working or travelling abroad, as they do now in large numbers, they are largely unprotected. It is within the federal jurisdiction.

I believe this is an important bill which will have the support I am sure of all members of the House.

Madam Deputy Speaker: Mr. Brewin moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(91), the motion is deemed adopted.

Bill read the first time and printed.

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PETITIONS

REFUGEES

Mr. Mac Harb (Ottawa Centre): Madam Speaker, it is with sadness I rise in this House to introduce a petition. This is a result of the tremendous number of refugees who have been deported in masses, especially lately.

These refugees are suffering from personal and economic hardship. Their future was and is still undecided as they are being sent back to their homeland.

These petitioners are calling on the House of Commons to pressure the government to exercise compassion.

DOMESTIC WORKERS

Hon. Audrey McLaughlin (Yukon): Madam Speaker, I have the honour and duty to present a petition from my riding in Yukon. This petition is signed by employers of domestics, domestic workers and residents of Canada.

The petition is to draw to the attention of the House that the Department of External Affairs, as we know, has decided to discontinue the practice of processing applications of domestic workers under rules that would give them the right to apply for permanent status.

My constituents strongly object to this and request that the House immediately rescind this particular regulation to a more fair and equitable regulation which will make it possible for foreign domestic workers to remain because they have contributed substantially to the country.

THE CONSTITUTION

Mr. Chuck Cook (North Vancouver): Madam Speaker, it is my pleasure to present a petition on behalf of the people of North Vancouver.

The petitioners believe that constitutions are for people and they call upon Parliament to enact legislation providing for a referendum of the people, binding upon Parliament, to accept or reject constitutional amendments proposed by the government.

• (1210)

CROATIA

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, I have the honour to present a petition on behalf of approximately 300 Edmontonians dealing with Croatia. It was approved on March 13 and I do not know whether the delay was my fault or the clerk's.

In any event, the 300 people are concerned that Croatia has instituted a democratic government in a multi-party election. Ninety-four per cent of the population voted for independence. They point out that Croatians, like all other people, are entitled to freedom, democracy and the right to self-determination. They call upon this Parliament to take the initiative in officially recognizing Croatia as an independent and sovereign democratic nation.

Point of Order

EXTERNAL AFFAIRS

Mr. Albert Cooper (Peace River): Madam Speaker, I am happy to table a petition on behalf of a number of constituents who have requested that the government of Canada work out a deal with the government of Brazil to expel Christine Lamont and David Spencer and, of course, this has now happened.

UKRAINE

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, I have two petitions to table today. One is from a large group of my constituents regarding the independence vote in the Ukraine and a very supportive position in terms of Ukrainian independence and about our diplomatic ties with Ukraine.

It is with a great deal of pride that I table this, as I come from the riding that has probably more Canadians of Ukrainian background in it than any other riding in this country with the possible exception of the Dauphin—Swan River riding.

GOODS AND SERVICES TAX

Mr. Lorne Nystrom (Yorkton—Melville): Madam Speaker, the second petition deals with the GST and says that the petitioners, again all from my constituency of Yorkton—Melville, humbly pray and call upon Parliament to consider removing the goods and service tax from women's sanitary products. I table this petition in the House today as well.

GASOLINE PRICES

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased today to rise and present a petition signed by numerous residents of the Ottawa area including Nepean, Gloucester, Ottawa, Aylmer, Kanata, Stittsville and other communities in this area.

The petitioners object to the fact that gas prices in the Ottawa area are significantly higher than those in southern Ontario. I may say the same complaint is made by many members of the Kingston community. They call upon Parliament to urge the government to correct this injustice to Ottawa area motorists.

POINT OF ORDER

VOYAGEUR PROGRAM

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I should have raised this point earlier when the Secretary of State was in the House, but I wonder if the parliamentary secretary to the Government House leader would perhaps give an undertaking to the House with regard to the Voyageur program.

The Government of Canada has sent out a number of invitations for students or for young people between the ages of 16 to 21. It is my understanding that a large number of applications have gone out across the country.

I wonder if it is possible for the Secretary of State to provide to each member of this House a constituency breakdown to show where those invitations or applications have gone on a constituency basis, whether it be the Legions, the Kiwanis Club, whatever.

It is my understanding that a number of groups have received them. Some groups have not received them and, of course, members' offices will be involved in the process. I wonder if that information is available, which I presume it is. Someone must have the mailing list that could be provided to members of Parliament.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I am pleased to respond to my hon. friend who has raised a very important and special program for the Canadian youth. All of us are anxious to support it. Being one of those who has not received any applications, my understanding is that those applications will flow to committees that are established by individual members in their constituencies.

I can check into the information that the hon. member has relayed to me and we will see what we can do to get this information to him as quickly as possible.

Mr. Dingwall: Madam Speaker, I do not wish to belabour this, but I do want to tell the hon. member that a number of groups across the country have now received the applications, well beyond the committees which have been set up, for instance, Legions, and rightly so. I just bring that to the attention of the hon. member. I think it would be appropriate if the information that is now out there be shared with all members of Parliament. I thank

him for taking this under active consideration. Of course, I know he will report back to the House expeditiously, perhaps later this day, if not early Monday morning.

Mr. Cooper: Madam Speaker, I wish to reiterate that in fact I will check out that information. It is very clearly the understanding I had of the program, that it was to be the role of members of Parliament to establish these committees. We will find out exactly what is going on and have that clarified, not only for the hon. member but for all members of this House who I know will be concerned about the issue.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I ask that all the questions be allowed to stand.

Madam Deputy Speaker: Shall all the questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

TRANSPORTATION OF DANGEROUS GOODS ACT, 1991

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Corbeil that Bill C-45, an act to promote public safety in the transportation of dangerous goods, be read the second time and referred to Legislative Committee E.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, as you will probably recall, about 11.55 a.m. I was addressing this issue. I started by congratulating the minister and his staff as well as the administration for their work on this piece of legislation which is, in fact, fairly similar to the act which was introduced in 1980, with quite a few exceptions and a few new proposals.

What really intrigues me with this bill is the fact that it addresses two partners, the provincial government and the federal government. Throughout this bill there is one partner missing, the municipal government or regional government.

When we are dealing with questions affecting the environment, this particular issue falls under the jurisdiction of three levels of government, the federal government, the provincial government and the municipal government, the community as a whole. This piece of legislation does not seem to put it in black and white that a third partner is included.

There are some very good aspects of the proposed legislation, especially when we look at the areas of safety requirements, standard marks, emergency response assistance plans and means of containment. For example, this bill would make it an offence for a person to handle, offer for transport, transport or import any dangerous goods unless the person, the goods and the means of containment satisfy the requirements of the bill.

The bill introduces a concept of a standardized means of containment. This particular term would be defined to mean a container for which safety standards have been prescribed in the regulations and which was used or intended to be used for the transportation of dangerous goods.

It goes on to say that no person would be permitted to sell, offer for sale, deliver, distribute, import or use a standardized means of containment unless it displayed all the applicable prescribed safety marks.

That is good, but it goes further to add a new provision which would require manufacturers or importers of standardized means of containment to keep records of the persons to whom they distributed their product. If it were later found that these means of containment were unsafe for handling or transporting dangerous goods, suppliers could be required to issue notices of defective construction or recall to their customers.

These are excellent proposals in the legislation. What is missing, unfortunately, is the third partner, the municipal government, as it deals with the question of transport.

• (1220)

One other aspect which I found to be intriguing is that while there are a lot of new provisions, when it comes to the area of inspection whereby we are giving the inspectors authority, rightly so, when they believe there are reasonable grounds that dangerous goods are being handled, offered for transport or transported in a way that does not comply with the bill, they could detain the goods until they were in compliance, it also gives the inspector the authority to take any measures necessary to remedy non-compliance and allow them to direct any qualified person to take them. That is good, but what is missing is the enforcement, to provide the necessary funds for inspectors in order to apply the rules as set by the legislation.

For any piece of legislation or any proposal, it does not matter whether it is introduced at the federal level, provincial level or municipal level, the key is to have the mechanism for enforcement. That brings us to the human aspect. We have to ensure that we not only have enough inspectors, but that we have the tools that are necessary so they can do their jobs properly.

What has been lacking throughout this whole discussion is the matter of the necessary funds in order to make sure that the bill is enforced and inspectors are capable of doing their jobs.

I do not know how many more inspectors the government is planning to hire. I do not know whether it has thought about that aspect of the legislation. I do not know whether the government has gone as far as trying to do some work with the different levels of government in terms of their enforcement in the difficulties they are having.

I can tell you on the question of environmental impact, the transfer or transport of dangerous goods from one location to another has been identified as a priority for the people of this country. In particular, it has been identified as a priority for the people in my riding of Ottawa Centre and throughout the province of Ontario. I say this because unfortunately quite often what we are seeing is that the transportation method, whether that is by truck or train, is passing through urban centres without making sure that certain provisions and requirements are met. When it comes to that, it is extremely important, at least at the municipal level, to be aware of what is at stake for employees in terms of the transportation of dangerous material going through that particular city, town or area.

Setting up standards is a key when it comes to the environment. If there is any need for national standards, I would say that the environmental needs are there. This should in fact serve as a notice. As we are introducing the Transportation of Dangerous Goods Act, perhaps the federal government should use this as a first step toward negotiation with all levels of government with a view to setting up standards when it comes to the environment.

The reason I say this is because as you go from one part of the country to the next, there are different environmental standards. For instance, what is a priority for one region when it comes to the cleaning up of the environment or taking care of dangerous goods in one area might not be treated the same way in other parts of the country or in other areas.

Environmental standards are very important, especially at this point in time. In 1988 and thereafter there has been a lot of talk about the clean up of dangerous material from major urban centres throughout Canada. I have not yet really seen any direct action taken. I have not seen the results. If there has been any work on the part of the government, any government, we have not seen any impact study to show that. In fact, if we have cleaned up our urban centres of hazardous material, we have simply moved the waste material that could be stored from one part of the country or another.

To that extent, it is high time for the federal government to start discussion with different levels of government, provincial and municipal, in order to deal with the question of stored dangerous materials, especially in major urban centres, in order to set up a strategy where this material could be moved to another location where the safety of the public as well as the safety of the environment would not be at stake.

The question of enforcement is important. Far more important than the question of enforcement is the question of prevention. As you know, our legislation at the federal level, the provincial level or the municipal level seems at all times to deal with the problem at hand. Unfortunately, we do not seem to see a lot of legislation at the different levels dealing with the question of prevention. When we talk about the question of prevention, we are talking about the questions of education,

public awareness, and outreach programs. Whether that is at the high school level, whether that is in the community, in the business sector or in different parts of society, we have to take an aggressive step and move one step further to say that from now on every single piece of legislation that is introduced to deal with every single issue has got to have as part and parcel of it a preventive measure.

That would apply to any kind of legislation, whether the legislation is dealing with the question of the environment, or whatever. It must contain that element, the issue of education and the issue of prevention.

I spoke a little bit about the absence of the third component. A little earlier today my colleague from Ottawa—Vanier brought to my attention a very important issue. Probably in the period of question and answer he will be very much interested in sharing his concerns, not only with this House but also with Canadians across the country, to give an example of what is happening in one of the ridings in the Ottawa—Carleton region.

There are a lot of good things in this legislation. What is missing, as I indicated, are the questions of enforcement, outreach, prevention and education. When I spoke about enforcement I mean the lack of funds in order to do the actual enforcement.

I understand that the government is planning after second reading to have a public hearing. This would be an excellent opportunity for all of us in government, as well as the community as a whole, to bring forward to the committee during those hearings any concerns they might have regarding the transfer of dangerous material and the transfer of waste from one point to the next.

At hand here is a piece of legislation that, in my view, is a good start, the beginning I hope of what might lead to a discussion with the different levels of government whereby eventually we would have a national environmental standard throughout Canada so that we can protect the interests of the public and deal with the question of safety in a tangible and effective way.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I would like to congratulate my colleague from Ottawa Centre on his statement. When the bill was tabled last December, I immediately communicated with regional and municipal groups concerned to find out if the bill would have an impact on my riding. My first concern at that time was the transportation of hazardous materials.

• (1230)

I was concerned then with the transportation of dangerous materials in my riding because, as we know, Ottawa—Vanier is the natural corridor for trucks carrying goods that are sometimes considered dangerous. I wrote to Peter Clark, the chairman of the Regional Municipality of Ottawa—Carleton on January 15. He answered me on March 4.

[*English*]

In his letter to me Mr. Clark brings out some very interesting facts concerning the transportation of goods in general and dangerous goods in particular. I want to share with the House some of the comments he makes in his letter dealing with Bill C-45, a bill which we know will strengthen the rules and regulations pertaining to the transportation of dangerous goods. Over a 12-hour period, that is half a day, in my riding the heavy truck traffic on the MacDonald-Cartier bridge, which is an interprovincial bridge linking Ontario and Quebec, is approximately 2,200 vehicles or trucks representing about 5 per cent of all the vehicles using the bridge during that time frame. To quote from the letter:

> During the morning and evening commuter peak hours the hourly heavy truck volume is approximately 200 vehicles per hour, again representing three to five per cent—

In my own riding, the letter continues:

> Truck volumes on Nicholas Street (south of Laurier) are slightly higher at 2,500 (two-way flow) between 7 a.m. and 7 p.m. and represent seven to nine per cent of total traffic flows for that period. During the morning and evening peak hours, hourly volumes range from 180 to 270 vehicles per hour and again approximately seven to nine per cent of the total traffic flows.

Last year 24 per cent of all accidents in that corridor were with trucks. There are some serious preoccupations with the problem in my riding. I know the member for Ottawa Centre appreciates it because he was there. He was a member of Ottawa council. He was a member of regional council. He understands this problem. My preoccupation has mainly been with the transportation of dangerous goods.

In the letter I received from Mr. Clark, he said that 2.1 per cent, approximately between 45 and 50 trucks, a day transport dangerous goods. Dangerous goods, as defined in the letter from Mr. Clark could be anything from solvents to propane, oxygen, fuels, petroleum products, et cetera.

My preoccupation is with clause 3(1) of the bill which reads:

> This act is binding on Her Majesty in right of Canada or a province.

I underline "or a province". We are dealing with essentially an interprovincial problem between Ontario and Quebec. I guess it could happen between any province. Does the member have any suggestions as to how we can involve the regional municipalities and the municipalities in addressing the problem of transportation of dangerous goods, so that we can assure ourselves that we are not dealing with a potential risk for which municipalities will have to carry some blame and which the provinces will have to resolve in some way? The authority of the federal government would be paramount. As far as I am concerned, there would be a responsibility with inspectors to make sure that transportation is safe and that transportation is done in a co-ordinated and secure manner. Mostly the regional governments, along with the provinces, have to stop using downtown corridors to transport dangerous goods because of the inherent difficulty that exists. An accident could cause undue damage to our environment, undue damage to the quality of life of the people in that community, and possibly undue damage to our over-all well-being because of loss of life or something else.

Has the member in his experience as a member of the municipal council and as a former member of the regional council addressed this problem? Can he give me a reason or some kind of satisfaction that indeed we can look forward to federal, provincial and municipal co-operation to resolve this issue?

Mr. Harb: Madam Speaker, I want to thank my colleague from Ottawa—Vanier who continuously speaks out on behalf of his constituents on issues that affect their daily lives and their safety. Even from the days when I was on municipal council the hon. member communicated with me on a regular basis verbally and in writing, raising the concerns of his constituents, in particular on questions of transportation and questions affecting the environment.

I must say that the best approach to solving any kind of a problem is direct consultation. All of the different partners should be brought together to look at their concerns and to try to deal with them.

My colleagues have for example set before us the question of the interprovincial transfer of goods. In the hon. member's riding of Ottawa—Vanier there is a north-south connection. I might suggest that there is a lot of truck traffic on the routes my colleague has indicated from the province of Ontario to the province of Quebec.

There is nothing in this legislation that would really address the question of urban safety as it relates to the transfer of goods. Also, there is nothing in the legislation that would deal with the transfer of hazardous material from one province to the next, who is responsible, and at what point one province will take over the responsibility of ensuring the safety of the trucks or the safety of the community.

To that extent not only do I want to commend my colleague for raising it, but also I want to assure him that it has been a concern of the municipalities in the past. As we have seen in the communication from the municipalities in this region, there is concern about the tremendous amount of traffic flow and the rise of truck traffic accidents.

I wonder what the government is planning to do in order to address those concerns, especially in light of the fact that the federal government has washed its hands of its responsibility as a full partner when it comes to infrastructure, when it comes to transportation links, when it comes to interprovincial connections, and when it comes to the question of helping out municipalities to deal with their sewage treatment plants, with the overflow of their sewer systems and so on.

My colleague raised this point. He brought to my attention another question on the lack of federal government involvement at the municipal level in the question of infrastructure. Of course one could attribute an accident that has taken place to the lack of good roads, large enough roads or safe enough roads for trucks transporting waste material.

The question of the environment again is not and never will be the responsibility of one level of government. It must and has to become the responsibility of all the three levels of government. One component which is missing in this legislation, as I have indicated and as my colleague from Ottawa—Vanier has clearly put before us, is the third component, that is the municipal level and safety when it comes to transfers of dangerous material through urban centres.

I do not know the answer except that I think the federal government has a responsibility through the Department of Transport, as well as through other departments, to address this question with the municipalities and with the provinces as it relates to environmental standards.

That brings me to the second point which my colleague raised with me a little earlier today, that is, what are we going to do with the dangerous material presently in storage in major urban centres across Canada? What are the plans? When is the government planning to start removing these dangerous materials from major centres in Canada in order to ensure the safety of the public for today and tomorrow?

• (1240)

I want to thank my colleague from Ottawa—Vanier for his question.

Mr. John Brewin (Victoria): Madam Speaker, I rise to participate in this debate on the second reading of Bill C–45, an act to promote public safety in the transportation of dangerous goods. As the House will know, this bill seeks to bring into legislation a number of important ideas and recommendations. As far as it goes, it does have my support and the support of our party, as our critic in the area has already explained.

I wish to make a couple of comments if I can arising out of an interest in the issue on the west coast of Canada. A couple of years ago public attention was drawn to the fact that dangerous goods were often transmitted on B.C. ferries and that they were being transmitted without adequate inspection, supervision or compliance with the regulations. In that context, therefore, we had a very careful look at the situation. It became very clear that it is all very well to have a good piece of legislation or to have good regulations, but it is even more important to have adequate personnel provided by the Government of Canada to ensure that the act and the regulations are complied with.

There is still no report back to this House about the situation on the B.C. ferries, and in particular whether the government has acted on the public concern expressed at the time to see that the regulations are complied with and the public is being protected. We will look forward to hearing at committee state from the minister and from the department on this issue and trying to get some commitment from the government that it will couple with this legislation adequate resources and adequate staff to see that the public is in fact protected and that Bill C–45 is not simply words and window dressing.

The next contribution I would like to make deals with a couple of the inadequacies of the bill, particularly because the bill fails to reflect the very effective representations that have been made to all members of Parliament by the International Association of Fire Fighters. In particular is the proposition that there should be included in federal legislation the creation of a public safety officers benefit which should be indexed and payable to the survivors of fire–fighters who are killed in the line of duty, or to the family of an officer who is permanently and totally disabled in the line of duty.

Second is the requirement that hospitals should be given a mandate to notify emergency response personnel of possible exposure to infectious diseases. Third is the need to create a computerized response information system so that fire–fighters can have access to accurate and instant information at the scene of a hazardous materials incident.

These provisions should be in the bill. The government should advise the House and the public how come it was left out. On the face of it, these very important concepts and provisions should be reflected in the bill. They are already reflected in the private member's bill of the member for Port Moody—Coquitlam, and it is important these ideas get the full consideration of the House.

With those comments we will certainly support second reading so that this bill can go before the committee in the hope that at that stage we can get the necessary improvements.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, I am pleased to participate in the debate for a few minutes. I want to raise two or three items that will be of particular concern to all members,

to the industry and to all workers involved in the shipment of hazardous products. These items will undoubtedly arise during the course of committee consideration.

I just preface with a few general remarks on the bill. The bill before us, the Transport of Dangerous Goods Act, 1992 is a redrafted version of the current Transportation of Dangerous Goods Act. The stated purpose of the bill is to promote the safety of people, property and the environment during the transportation of dangerous goods.

Among other items that the bill addresses are the handling, transporting and importing of dangerous goods, safety marks, safety requirements and safety standards, emergency response assistance plans, regulation of standardized means of containment, financial responsibility, actions during emergency response and inspection and intervention authorities of federal inspectors.

Bill C-45 would strengthen the Transportation of Dangerous Goods Act. We fully admit that, and we are pleased to see some progress made.

It would provide a clear legal framework for regulating the transportation of dangerous goods. It would place additional emphasis on measures which would have to be taken prior to the transportation activity itself in order to protect the safety of people, property and the environment.

In addressing the last point mentioned, I would just like to comment briefly on the matter raised under section 6 of the inspector's guide to the Transportation of Dangerous Goods Act, 1992.

Section 6 reads:

> Some dangerous goods involved in an accident may continue to cause harm or hold the potential for harm after the initial accident has occurred. For example, a tank car containing a compressed or flammable gas may be in such a position or circumstance that there is concern about the tank itself rupturing and causing a secondary accident effect. For some special dangerous goods, as described in Schedule XII of the Regulations, emergency response assistance plans must be in place before these products are shipped. Essentially this places a burden on the consignor of a product to be prepared to respond in case there is an accident with this product.
>
> This burden falls upon the consignor, who is often the manufacturer, as he is the person who is the expert with respect to the characteristics of the product and he is the person who should know what is required to effectively respond to such an accident. If the consignor is not in Canada, the importer is essentially viewed as the consignor. (This principle holds throughout the Act such that anything which occurred or should have occurred outside of Canada is the responsibility of the importer. Note that this provides for better protection and enforcement than dealing with an agent. Consequently the requirements concerning agents have been deleted.)

Our major concern here is covered in the next one to two paragraphs:

> The way this section will work is that when someone wishes to ship a Schedule XII substance he will submit a summary of an emergency response assistance plan and will "immediately" receive temporary approval. Once the plan has been examined carefully by a Remedial Measures Specialist and found to be acceptable the approval will continue. If the plan turns out to be unacceptable, approval of the plan would then be cancelled and the result would be that the shipper would have to cease shipping that dangerous good.

That particular paragraph gives us some cause for concern. It appears from this documentation that immediate temporary approval will be given to the transport of Schedule XII goods, the most hazardous products, before careful examination by a remedial measures specialist.

If the intent of this is, and it is made clear that it is simply to give preliminary approval, the actual shipment cannot take place until the careful examination, that may be well and good. It will be of little consolation to safety personnel or to communities through which hazardous products are shipped if the turnaround in the decision and the cancellation of the shipping takes place after an accident has occurred because those goods are already in shipment.

• (1250)

Obviously that is one of the areas that we want to look at carefully during committee consideration, to ensure that the immediate approval that is given only gives rise to prior clearance and not to shipping itself until there has been, as it is put here, a careful examination of the conditions.

There are a number of other concerns that have been mentioned briefly by my colleagues which I would also like to touch on.

In my own constituency of Kootenay West—Revelstoke we do have a large number of very hazardous goods in transit. Our area is mountainous. Whether those goods are travelling by truck or by rail, and most of them are shipped on one of those two mediums, we have some of the more difficult stretches of rail in the country and certainly many of the steepest grades in the highway system.

What we have seen partly through the policies of this federal government when it comes to transport regulations and legislation is an increasing use of our highways by heavy transport trucks, often on steep grades into urban areas. Many of them carry dangerous goods such as chlorine gas in large quantities.

Rail is a relatively safer means of transport. It is more controllable because there is no competing, generally speaking, on the roadbeds with passenger traffic which is much more unpredictable in its behaviour. The conditions of the roadways and the highways are also very often much more hazardous than is the condition that exists on rail. The abandonment of many spur lines serving industrial areas has caused this transference away from rail and on to the roads.

We have had a number of incidents. Luckily there were no major releases of substances which would cause a grave and immediate health hazard to civilian populations. But we have had a number of serious accidents involving trucks carrying industrial materials, some of them safety related, right into the communities of Trail and Castlegar.

Because we have had a bit of a propensity in times past we have also had situations where we have had not accidental explosions take place from time to time on some of the rail lines in our area. These often caused disruptions to major industrial transport by rail and by truck. That is something we hope to never see repeated. But we do have the problem taking place on the highways with increasing incidence.

One of the other matters that my colleague, the member for Kootenay East, raised yesterday in consideration of another subject is also of concern on this matter. That is the change that has taken place in the railway industry, with the elimination of cabooses to getting rid of flashing lights or strobe lights at the end of trains and their replacement by reflectors. Some of those trains transport dangerous goods.

One may wonder what this has direct relevance to in relation to this bill. If we have an increasing number of accidents—and that is almost surely going to happen as a result of the relaxation of some of these regulations in transport—then the incidence of releases of hazardous materials into fast-flowing waterways in the mountains of British Columbia is surely going to occur.

If there are reflectors instead of flashing strobe lights on the ends of trains, which ends of trains are no longer manned by individuals who can give constant reports back and forth between units, then in a mountainous area where there are not only steep grades but also a great amount of cloud, fog, mud, snow and curves, there is simply no opportunity to respond. Long braking distances are required on steep grades if there is no clear sign from the end of the train that it has come to a halt or slowed down in order to apply the brakes to avoid a major collision.

Those are in areas again that where those railway carriers are carrying hazardous products and there are releases in the fast-flowing waterways, the damage is done before any emergency response team can get to it.

Those matters are relevant even though they are not directly involved in the consideration of the bill before us.

Finally, I would like to touch once more upon the matter of the submission made to a number of my colleagues, both in the New Democratic Party and I am sure in other caucuses last May by the International Association of Fire Fighters.

Their appeal links in to some degree with a study, the "Electronic Waybill for Rail Transport of Dangerous Goods," which was prepared for the Transportation Development Centre, policy and co-ordination, Transport Canada by ATG, Automation Technologies Group Ltd., and submitted in August 1991.

That system primarily would provide for electronic monitoring of hazardous products and the shipment of hazardous products in a computerized system. That is vital in this day and age with large amounts of very dangerous goods being shipped so that communities, the officials responsible for the permits and the emergency response teams including fire-fighters, will know at a moment's notice just what they have to deal with and how they should deal with it.

A submission was made by the International Association of Fire Fighters to us last year. My colleague, the member for Mission—Coquitlam, has a private member's bill dealing with this topic and perhaps that could, because it is directly relevant to the government bill before us, be considered in some detail when we get into committee.

Just as a background the fire-fighters entitled their proposal "Right to Know". They point out:

> The most dangerous aspect of fire fighting is responding to incidents involving hazardous materials. Fire-fighters in Canada are especially hampered by a lack of information available at such incidents. Accurate, accessible information is crucial to saving lives and property at the scene of these incidents since the appropriate response for one hazardous material could prove catastrophic if another substance is present.
>
> A variety of technologically advanced systems are available which would enable fire-fighters to learn the exact nature of hazardous materials present at any location and provide guidance on responding to the specific incident. Such systems can be designed for both hazardous materials at stationary structures and hazardous materials in transit.
>
> Information provided by such systems not only aids in identifying what hazardous materials are present, but also offer detailed information on appropriate emergency response techniques. Some systems can even provide guidance on evacuating specific communities.
>
> Implementation of a hazardous materials identification system would ensure that the fire-fighters have the information they need to effectively respond to any incident enabling them to protect lives, property, and the environment.
>
> The IAFF supports the creation of a computerized national emergency response information system which would enable fire-fighters to obtain accurate, instant information at the scene of a hazardous materials incident.

I would just say by way of analogy, and I am not suggesting it is quite as simple, but the same principle applies. If supermarkets can use computers to scan for price and inventory purposes, surely it is not too much to expect that that same kind of technology transmitted to a national level be used in order that fire-fighters and their emergency response crews and communities could do the same for their purposes.

That seems to me a rather minimal objective. The technology is now available. The government has some good major studies now at its disposal. There are further studies along these lines being done in the republic to the south that we can fit in on an international basis to ensure that the very best technology is available.

We have no doubts that there is going to be some significant cost to such a system. If we consider the cost of just one major disaster, such as happened, luckily without major loss of life in the community of Mississauga a few years ago, or could happen, at any time in any major community in Canada, then the cost of implementing such a system for which technologies are now available fades into insignificance. All we need is one major incident to show us that whatever costs are involved in implementing this kind of system, it would be a bargain for all of us.

• (1300)

In conclusion, we generally support the thrust of the bill. We realize that it goes some way toward improving the current regime. However, we feel that there could be some improvements to ensure that lives can be saved, the environment can be saved, and communities can be saved across Canada. We will be making proposals in committee to that end.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to, bill read the second time and referred to Legislative Committee E.

Mr. Angus: Point of order, Madam Speaker. I think you will find agreement to call it three o'clock so we can proceed to Private Members' Business.

Madam Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Translation*]

Madam Deputy Speaker: It being three o'clock, the House will now proceed to the consideration of private members' business, as listed in today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

DEPARTMENT OF FORESTRY ACT

MEASURE TO AMEND

Mr. Guy H. Arseneault (Restigouche—Chaleur) moved that Bill C-306, an act to amend the Department of Forestry act and to make related amendments to other acts, be read the second time and referred to Legislative Committee D.

He said: Madam Speaker, thank you for giving me this opportunity to lead off the debate on the private member's bill I had the privilege of tabling. As you know, the purpose of this bill is to substitute the name "Department of Forests" for the name "Department of Forestry". It would probably be helpful if I provided a brief outline of the reasons that inspired this legislation.

First of all, as you will no doubt recall, Madam Speaker, in 1989 the government agreed to include a definition of the term "sustainable development" in the terms of reference of the new Department of Forestry. I may point out, in all modesty, that this definition was included as a result of an amendment I tabled in the legislative committee that was examining the legislation.

In fact, the inclusion in the bill of the definition that sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs is a major step forward for the environment.

The definition gives us the assurance that the Department of Forestry will play a key role in preserving Canada's valuable forests. It also ensures that when federal governments use the term, they will have a clear and precise definition.

Second, in its report entitled *Canada's Forests: The Federal Role*, the Standing Committee on Forestry and Fisheries emphasized the importance of sustainable development. In its first recommendation, the committee said that the principles of sustainable development and stewardship must be the basis for public policy concerning the management of Canada's forests.

In its second recommendation, the committee urged that the new federal Department of Forestry be charged with initiating and developing a process and a structure for the design, planning and implementation of sustainable development in Canada's forests.

In its third recommendation, the committee says, and I quote: "—in the context of its mission and to fully embrace a comprehensive vision of Canada's forest resources, the new Department of Forestry should be renamed the Federal Department of Forests (Forests Canada)".

During the debate on this recommendation, the committee pointed out that the English designation of the new department was considerably removed from its designation in French. You will agree, Madam Speaker, that Forestry Canada has a connotation that is entirely different from "Forêts Canada".

Still according to the committee's report, the term forestry was confusing because it did not mean the same thing to everyone. To many environmentalists, the term applies to the lumber industry, while most departmental officials and representatives of the industry feel it covers all forestry operations and the management of these operations.

For instance, one of the witnesses who appeared before the committee, Mr. Mathew Wright, vice-president of the Nova Scotia Forest Products Association, made the point that the word "forestry" seems to focus far more on industrial development than the word "forests", which has a far more general meaning and a much broader connotation.

As you can see, Madam Speaker, the change is necessary because the English and French versions are not identical; because the term forestry is confusing; and because the name of the department should reflect its mandate.

[*English*]

I introduced this bill for reasons related to the forestry subcommittee report tabled in the House in November 1990.

I would like to quote recommendation No. 3:

"The committee recommends that in the context of its mission and to fully embrace a comprehensive vision of

Canada's forest resources the new Department of Forestry should be renamed the Federal Department of Forests or Forest Canada".

It goes on to say:

"It should be noted that this change would only be applicable in the English language as the new department is now called *Forêt Canada* in the French language and Bill C-29 is entitled *loi sur le ministere des forêts*. In fact, the English and French names of the department will be closer in meaning as a result of this recommendation. For the purposes of consistency and so as not to anticipate any future decisions—", and the report goes on to say that it will use the name Forestry Canada for now.

The report was signed by all parties, all members of that committee. The chairman of that committee, the hon. member for Fredericton—York—Sunbury, signed it, as did the members for Cochrane—Superior, Prince George—Bulkley Valley, Cariboo—Chilcotin, Bonaventure—Îles-de-la-Madeleine, and Elgin—Norfolk. It was supported at that time by those individuals.

The second report of the Standing Committee on Forestry and Fisheries recommended that change in the context of the mission of the Department of Forestry and said that it should be renamed the Department of Forests.

The new Department of Forestry Act contains the words: "sustainable development". Accordingly, the name of the department to which it applies should reflect that principle. According to the second report of the standing committee on forests there exists widespread misunderstanding about the word "forestry" and the values which it reflects. For many people the word denotes only commercial forest exploitation, therefore it was felt that "forests" would be a more appropriate and accurate term.

• (1310)

Finally, the English and French names of the department are not consistent. In French the name *ministère des Forêts* translates as Department of Forests. I am certain that members will agree that the English and French names of a department should convey the same meaning to avoid confusion.

Another reason I am interested in this issue is because of the sustainable development issue, which the new department is beginning to address. I tabled an amendment in committee concerning sustainable development which now forms part of the act. I am very proud of that. I am also very proud that the amendment was again supported by all parties. That shows the co-operation in the House on non-partisan issues especially.

Basically the name change is put in there because of my interest in sustainable development and because of the mission that the department now has. It is also because of the language difference between the French and English versions.

In conclusion, I would like to thank the seconder of the bill today—

[*Translation*]

I wish to thank the hon. member for Champlain for his support today.

[*English*]

I would also like to note the support of the minister for this bill. I would like to note the support of members from all parties. Without mentioning names and whatever, I would like to say that I have received a lot of encouragement and a lot of support and I suppose a real honourable mention to—

[*Translation*]

—to the hon. member for Champlain for his co-operation in preparing the debate today.

[*English*]

I believe later we will find that there could be unanimous consent to move this directly to the standing committee and we will probably make that commitment later on. The intention is to get it to committee with the idea that the bill be amended somewhat to reflect some of the discussions that we have had to make sure that the implementation is cost-effective, not to change the name overnight because that has certain cost implications and we are willing to abide by that.

I would again thank all the members and my colleagues here this afternoon for their anticipated support.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I rise to indicate the support of my caucus for the private member's bill particularly on behalf of the

member for Prince George—Bulkley Valley who is actually at a forestry conference in northern B.C. today. I am not going to—

Mr. Boudria: He is with us in thought.

Mr. Angus: He is with us in thought, yes. I am not going to reiterate the purpose of the bill, I think it is very clear from the mover. I just want to say that we will not only support it but assist in expediting it on to the standing committee.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Madam Speaker, I am also very pleased to speak for a few moments on Bill C-306, whose purpose is to change the name of Forestry Canada to Forests Canada. This bill was presented by my colleague, the hon. member for Restigouche—Chaleur.

I am even more pleased to support this bill, because it is fully in keeping with the recommendations of the Sub-Committee on Forestry published in 1990 that the hon. member for Restigouche—Chaleur had in his hand. This bill, as you know, proposes to change the English name "Forestry Canada" to "Forests Canada". After discussing it at length with our caucus and the minister, we concluded that the bill was very appropriate and that we should follow it up, of course, with all the reservations that my colleague from Restigouche—Chaleur mentioned.

Changing the department's name, minor though the change is, is important. You know, Madam Speaker, that it is being done for some essential reasons. First of all, this change fits in with the department's changing role. In addition, it reflects the new emphasis that the federal government places on forest management as part of sustainable development. Finally, it expresses the growing popularity in Canada of using our forests for many purposes.

On the first point, the role of the department has changed considerably since it was created in 1960.

Originally the department concentrated on supporting the forest industry and the provinces that conducted research and implemented joint forest development programs. However, in the last few years the government has expanded the mandate of the department in order to put more emphasis on dialogue between the various forest interest groups in Canada.

We need only look at some of the recent laudable efforts made by the department and the minister to see how Forestry Canada has succeeded in playing this valuable role.

For example, last year the minister, through the department, organized a successful parliamentary conference on Canada's forestry resources. This event brought competing interests to the same table to discuss the future of forest resources in Canada.

The government also co-operated with the provinces and industry, as well as with environmentalists, nature lovers and others, to develop the national strategy on forests.

Lately, the department has shown that, at a time when the future of our forests is hotly debated, it has done more and more to facilitate dialogue in order to find realistic solutions. The department has approached both complementary and competing groups within the government and industry and among environmental groups. We very much want to bring all those stakeholders together.

It is therefore appropriate that the department be renamed Forests Canada. The new designation will reflect the expanded perspective in which we now view the central role of the federal government in the field of forestry. Also, the name Forests Canada puts the focus of our action more clearly on the forests and therefore more accurately reflects the federal government's priorities and concerns.

[*English*]

The new name also makes sense as it provides the department with an opportunity to more clearly exemplify the federal approach to our forests.

We all recognize the critical importance of Canada's forests. They are one of our greatest natural resources. They are of immense importance to Canada as a nation and they are undoubtedly becoming a resource which is of ongoing interest to the world.

Canada's forests cover 10 per cent of the world's forested area. With growing concerns about the viability of the forest industry and the increasing concern about climate change and threats to bio-diversity, Canada's forest management practices are followed with keen interest, both at home and abroad.

The government, through the department, is defining its policy approach in this new, more national and indeed, more global context.

[*Translation*]

That is why the federal government participates more actively in the development and promotion of sustainable development strategies.

Madam Speaker, we know that the government has taken measures in that direction. The department, through its contribution to the green plan, will lead the way by implementing strategies based on the sustainable development of Canadian forests.

Moreover, the department strives to support Canadian participation in the development of international policies and conventions on sustainable development, including the Conference on the Environment and Development that will be held in Rio next June.

Under the name Forests Canada, the department will be able to relate the policies for the sustainable development of our forests to a national objective and, more generally, to act as a national leader in the management of our forests.

I believe the new name would put the department more in line with the new principles guiding forest management, such as multiple use and sustainable development.

Finally, the new name makes sense in that it reflects a growing movement in Canada advocating the use of our forests for a wide range of purposes, as well as the development of those forests in accordance with a whole series of values.

Madam Speaker, I want to support the new name of the department. It is a minor change. Yet, as I have tried to show, minor changes must not be neglected, because they can sometimes indicate and impel larger positive changes.

Madam Speaker, I hope that my intervention will have been useful and that we will all be able to contribute in some way to making our forests a living heritage.

In closing, Madam Speaker, I think you will find that there is unanimous consent for the following motion:

> That the motion for second reading of Bill C-306, an act to amend the Department of Forestry Act and to make related amendments to other Acts, be amended so as to refer the bill to the Standing Committee on Fisheries and Forestry instead of to Legislative Committee D.

Madam Deputy Speaker: Does the hon. parliamentary secretary have unanimous consent?

Some hon. members: Agreed.

Madam Deputy Speaker: Is it the pleasure of the House to adopt this motion?

Some hon. members: Agreed.

Motion agreed to.

Madam Deputy Speaker: To make sure that everything is in order, I think that perhaps I should take a vote on the motion. Mr. Arseneault, seconded by Mr. Champagne (Champlain), moved:

> That Bill C-306, an act to amend the Department of Forestry Act and to make related amendments to other acts, now be read the second time and referred to the Standing Committee on Fisheries and Forestry.

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 the Standing Committee on Fisheries and Forestry.

Madam Deputy Speaker: Since there are no other items on the order of the day, this House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 1.22 p.m.

HOUSE OF COMMONS

Monday, April 6, 1992

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

HOUSE OF COMMONS

PROPOSED AMENDMENT TO STANDING ORDERS

Mr. Ken Hughes (Macleod) moved:

That the Standing Orders of the House of Commons be changed to indicate that only those votes which deal with government expenditure, grant or charge on the public revenue and sponsored by the Minister of Finance are considered to be votes of confidence in the government and no member other than the minister may move a motion which would increase public expenditures.

He said: Mr. Speaker, I welcome this opportunity today to debate this important issue, an issue that could have a tremendous impact on the way in which this House works.

There are several reasons why I put forward this motion and let me elaborate on them.

First of all, I am very interested in seeing a strengthening of the role of the private member in this House, which means private members on all sides of the House. By enhancing the role of the member, it enhances his or her ability to fight on behalf of his or her constituents, to represent those people. That is what I am doing today by putting forward this motion, speaking on behalf of the people of Macleod.

This motion would help ensure that the cabinet remains extremely responsive to private members on all sides of the House, responds to their needs and the representations they make on behalf of their constituents.

I also would like to remove the myth that is, I think, widely held, that the party Whip tells me as an MP how I should vote on every motion, every time I stand up to record my vote. I stand up in this House to vote to represent the interests of the people of McLeod. There are times when I feel resentful of the implication that somehow I am told what to do, I am not party to the consensus that is arrived at, that we as a party put forward in motions and bills in this House. The other myth which has even less basis in truth is the myth that somehow the Prime Minister tells me how to vote on all issues.

We as a party work together. We come to a consensus. We fight it out. We have hammer and tongs discussions in caucus over issues that are important. We arrive at a decision and present that common front to the House. If I cannot agree I am fully free to stand up and vote against motions. I would like to have this motion accepted by the House to help eliminate those myths.

Another reason, and it comes directly to the next point, is that I would like to eliminate the risk of defeating a government over an issue that is really not a confidence motion. In an objective analysis, you stand back from it and say, should a government be defeated on this particular motion? In many cases there are issues that are before the House that should not cause the defeat of a government if they do not pass. They may well be objected to by members on the back bench on this side, or in the front, or in the back bench on the other side.

In a more general sense, I hope that this motion speaks to a sense of direction about the need for fundamental reform of central institutions in Canada. There is a general interest in the Canadian population to see a wide, fundamental institutional reform.

I had the privilege to serve on the Canada renewal committee and we heard this often from people who spoke to us. As we travelled across Canada people spoke of the need for Senate reform. I firmly believe in that. I believe we need to get on with that as soon as possible.

They spoke of the need for House of Commons reform. This is within the spirit of that need and I really hope that we can make some progress on this today. People spoke of making institutions like the House of Commons more responsive to the needs of the people of

Canada. This is one such measure that would help achieve that objective. The motion responds to that call and I believe it is absolutely the correct direction in which we need to go.

The motion is a significant issue which is of interest to all Canadians. It proposes fundamental changes to the rules of the House of Commons. Its purpose, in simple language, is to make all the votes in the House of Commons free votes except for those votes on money bills sponsored by the Minister of Finance.

As a result the government will not fall if it loses a vote on an issue that does not deal with money. That is the initial intent of this motion.

It will have a substantial change in the way in which this institution works. In effect, it will help open up the legislative process. It will ensure that some of the debates that now take place in private caucuses will take place more often here on the floor of the House of Commons.

All of us have had the experience of people telling us we did not speak for them on such and such an issue. People genuinely believe that if they do not see any evidence of their point of view being reflected in debate, they do not know that their point of view has even been taken into account. In most cases it has because we have had the debate in caucus.

For example, in the Alberta Conservative Progressive caucus, we take the issue to the national caucus and put forward our point of view. We then hammer away on issues that are important to us. None of us wins the day all the time. In a House of Commons of 295 members, nobody is ever going to win his or her point of view all the time. Even the Prime Minister does not win all the time.

It is important to get this debate out in the open a lot more to help strengthen the point of view, show the way in which legislation is developed, and the influence that we as individual members and Canadians as citizens have upon this institution.

I do not have to tell people here that Canadians in many walks of life have a lower opinion of this House than was the case 20 or 30 years ago. This is true of all institutions in society. We have an opportunity to help rebuild the credibility of this institution because it is so important in society that the central institutions, the law-making bodies have the respect of Canadians and that Canadians feel that the House of Commons and the Senate genuinely reflect their objectives and their part of the country.

• (1120)

I have received a lot of comment over the last year since I introduced this motion in the House. Let me just quote from one. It is an editorial in the *Nanton News* entitled "Free Vote is Overdue". Let me just read a couple of paragraphs.

> His motion, which is long—

"His" is referring to the member of Parliament for Macleod.

> His motion, which is long overdue, would allow MPs to vote on issues according to their own judgment, and not necessarily follow the party line.
>
> As it stands now, if a motion by a cabinet minister is defeated, that is shown as a non-confidence vote for the government and an election must be called. There's little wonder government members follow the party line, when their very jobs could be in jeopardy.
>
> The motion introduced by Hughes is exactly the kind of down to earth, grass roots thinking his constituents expect from him. He's right when he says people are calling for a more visible and effective voice in the nation's capital.
>
> It remains to be seen whether Hughes' Tory teammates will be quick to adopt his motion. It was however, one of the promises made in the last Speech from the Throne.
>
> It also remains to be seen whether MPs will vote independently, even if the legislation allowing them to do so is in place. You'll have to excuse Canadians if they adopt a wait-and-see attitude on the actions of politicians who have let them down numerous times in recent years.

This editorial, while endorsing the general concept that I have put forward, also raises some of the other fundamental issues which I think we have to deal with in this House. I look forward to that debate.

We have an opportunity to make an historic change. It is a chance to renew the faith of a sceptical Canadian public. The motion is all about making individual members of Parliament more effective in the job they do for their constituents and I cannot think of a better place to do this than in Private Members' Business. Canadians want and deserve these changes and I think this is our opportunity to respond.

I presume that some of our colleagues opposite may want to point out some detail of this motion which may be flawed in wording or with which they might not agree and use that as a reason to disagree with this motion. One of our colleagues opposite says "never" and I hope that is the case.

In anticipation of that I would like to propose an amendment which would go even further and clarify the intent of this motion. I have heard from lots of Canadians in addition to the editor of the *Nanton News* and I have had the opportunity to respond to some of those very legitimate criticisms.

I seek permission to introduce an amendment to my motion which would read as follows:

> That the motion be amended by striking out all the words after the phrase "indicate that" so that the motion now reads:
>
> That the Standing Orders of the House of Commons be changed to indicate that all votes, except for those that deal explicitly with the matter of confidence in the government be considered as free votes.

If I may clarify that, I think this amendment should be accepted because it seeks to spell out when a vote is a free vote or when it is a confidence vote and when it is not. The original motion spelled out specific votes. This amendment does the same, but in a more clear manner and in a way which responds to criticisms I have heard from Canadians.

I ask for the support of the House in order to put that amendment forward.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I may remind the hon. member that the mover of a motion cannot present an amendment to his own motion. Strictly speaking this motion is not in order.

That being said, if the hon. member seeks the unanimous consent of the House, and since the Chair is the servant of the House, if hon. members present wish to give their unanimous consent, of course the Chair will act accordingly.

[*English*]

Is there unanimous consent to integrate the amendment tabled by the hon. member for Macleod?

Some hon. members: Agreed.

An hon. member: Can we debate that, Mr. Speaker?

[*Translation*]

The Acting Speaker (Mr. DeBlois): After taking the matter under advisement, the Chair wishes to remind hon. members that unanimous consent is required to receive the motion.

Is there unanimous consent?

Some hon. members: Agreed.

Mr. Gauthier: Debate.

The Acting Speaker (Mr. DeBlois): We have consent.

Mr. Gauthier: Debate.

The Acting Speaker (Mr. DeBlois): The hon. member for Ottawa—Vanier.

[*English*]

Mr. Gauthier: Mr. Speaker, this is what we would call imaginative rule making.

[*Translation*]

In other words, this makes for very flexible rules. However, I feel it is entirely unacceptable for a member who moves a motion to move an amendment to his own motion in the course of the debate.

First of all, the amendment would need a seconder and we would have to know exactly what kind of amendment we have before the House. We have not seen the document, and it has not been circulated. You have a copy, Mr. Speaker, but I do not. I heard the amendment, but I did not see the text. I have not yet read the motion, which in any case I do not think is in order, but I fail to see how you could ask for unanimous consent to accept a motion that is out of order. Either it is in order or it is not. If you say it is in order, then you seek the unanimous consent of the House to put it to a vote, and it is therefore debatable.

I do not think the Chair could say that Christmas Day is June 25. We all know that is impossible. You might get unanimous consent for presenting a motion like that, but it would not be accepted by the members of this House. In this case, I do not think the Chair has the authority, and I wish you would tell me on what grounds you would have the authority to, first of all, ask the House for unanimous consent, to do what? To let the hon. member move an amendment to his own motion? I doubt you can do that, Mr. Speaker.

[*English*]

I put it to you, Mr. Speaker, that you may want to ask for unanimous consent. I do not think you have the authority to seek unanimous consent in a case like this. This is my own view and I would like you to quote for me chapter and verse of which book gives you that authority to ask for unanimous consent.

Although I may be in favour of the motion originally, I may want to amend it. It is for us to decide. It is for the House to dispose of that, not for the member himself to say that he did not make it very clear so he is going to clarify my main motion by having an amendment put by the mover of the motion. I find that to be totally out of context. Even a junior member of the House would tell you that is quite unacceptable.

The Acting Speaker (Mr. DeBlois): On the same point of order, the hon. parliamentary secretary.

Mr. Cooper: Mr. Speaker, I just want to intervene for a few moments to contrast the arguments of my hon. friend who has a great deal of experience with the rules and procedures of this House.

I think you are perfectly in order, Mr. Speaker, to ask if something can be done by unanimous consent, because unanimous consent allows the House to supersede its own rules and procedures. I think what you are doing, rightly so, is offering that option to the House. Should the House decline that, of course the hon. member could not proceed because that in fact would be outside the rules. A unanimous consent question is always in order and is always a question that is left then to the decision of the members who are here today.

I think, in contrast to my hon. friend, you are in fact in order to do that and I would certainly encourage you to do just that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would not want to prolong the debate unduly since this is the time reserved for Private Members' Business and I think that the benefit of the doubt should be given to the debate. That being said, the House can always suspend the rules that it has set for itself. The House can call it one o'clock even though we know very well that it is 11.30 a.m. right now. So, from that, I take the comment by the hon. member for Ottawa—Vanier as a refusal to give his consent and I suggest that we return immediately to the main motion of the hon. member for Macleod, who still has five minutes.

• (1130)

[*English*]

Mr. Cooper: Mr. Speaker, I rise on a point of order. My hon. friend put a request to move an amendment and failed in obtaining the necessary unanimous consent. I wonder if there might not be consent of the Chamber to allow him to refer at least the subject matter of his motion to the standing committee or the House management committee which is seized of this subject.

It would then give private members credit for their work and concern in this area, and it might be a good opportunity for the hon. member to further his arguments before a group that is considering just that subject.

Mr. Gauthier: Mr. Speaker, I think the parliamentary secretary is making a valid point. He is chairman of the Standing Committee on House Management. I see no objection to sending the motion to that committee for further study, but as it stands, not in an amended form.

If the committee wants to propose an amendment to the House, I think that is quite justified. I would not oppose sending it to the committee for further study, because I think it has merit. I do object to members rising in this place and trying to play around with the rules to make it more receivable, in the sense that it is more acceptable maybe for the member to move an amendment to his own motion.

I do not think we can do that today if we want to be taken seriously by Canadians. I think the committee that looks at this motion would probably be very sympathetic to it and possibly would approve of the principle at hand.

Mr. Angus: Mr. Speaker, I want to intervene briefly. There are really two matters before us. One is the question of referring it to the House management committee, which I do support. The second one is whether it is appropriate to refer the motion as originally introduced or the attempt to amend it.

On the latter part, certainly others in this House in the round of debate would have the ability to make the attempt. I think the question is: Should the mover of the original motion be allowed to correct his ways at the beginning of the debate? I do not think it is appropriate, so I would suggest that we move on with debate and

allow the member to finish his presentation. He may wish to talk about the reason for this proposed change to it, as to why someone else should move it, but I think we can get on with it.

Mr. Hughes: Mr. Speaker, I have a clarification. Can you tell me how much longer I have to speak?

[*Translation*]

The Acting Speaker (Mr. DeBlois): So that it is quite clear, I believe that there is not consent to change the rules as they apply to this motion at this time. We are still debating the original motion of the hon. member for Macleod, who has up to five minutes for his speech.

[*English*]

Mr. Hughes: Mr. Speaker, I thank you and distinguished, experienced colleagues opposite and on this side for their advice in dealing with this question.

I believe that there may well be an interest by other members in this House in putting forward the motion to amend which I attempted to do myself. I would certainly hope that is the case because it is important. There is a difference between simply trying to define what question should be a question of confidence and what question is not a question of confidence in this House.

It is not something that is easily defined. Perhaps the best way to define it is by simply saying any motion which essentially defines itself as a motion of confidence. That way members opposite from all of the parties not in the government could put forward a motion and define it as a motion of confidence. They could put forward their motions. The government could choose to put forward its motions indicating when it is a question of confidence and when it is not.

Perhaps that helps us get away from trying to define a long list of times or specific types of motions which are questions of confidence and which are not questions of confidence. The amendment which I sought to put forward today seeks to do that.

I would at this point accept the advice of my hon. colleague from Peace River and seek the unanimous consent of the House in order to have this motion referred to the committee which the hon. member for Peace River chairs, the House management committee.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member for Macleod has just asked the House whether he would have unanimous consent to have this motion referred to the committee on House management after it is considered here. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): Since there is not unanimous consent, I give the floor to the hon. member for Kingston and the Islands.

[*English*]

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to participate in the debate on this motion today, flawed as it is. I recognize the hon. member has tried to make changes in it. I think he became aware of the concerns that I had about the motion when the motion came before the subcommittee of the House management committee to decide whether or not the motion should be made a votable one.

I indicated that it was completely unacceptable in its present form because it in effect gave the government the power to decide what items were to be considered votes of confidence, which in some ways it has already. But at least under our current practice there is some constitutional convention that certain votes in this House be regarded as matters of confidence.

I would not want to presume to give an exhaustive list to the House on this important issue, but certainly the list would include votes on specific motions of non-confidence which the member appears to have omitted from his motion which I think are clearly matters of confidence. Those arise generally during the debate on the budget and during the debate on the Address in Reply to the Speech from the Throne.

In addition, I submit that a defeat on a major supply bill, such as an interim supply bill or the final supply bill, would constitute a failure of confidence in the government and would require the resignation of the government or possibly a dissolution of Parliament.

In addition to that list, I think a defeat on a major government bill that had been the basis of an election campaign and which the government put forward as one of its major planks would constitute a serious lack of confidence in the government. I would cite as an example of that a defeat on the free trade bill. Similarly, a defeat on a major budget bill might also constitute a question of confidence, but it would depend on whether the bill was rejected outright or whether there was some other difficulty with it.

Those are areas where I submit the government has an obligation at least to look at the vote as one of confidence. The idea that we should set up a set of rules in the House dealing with the issue is one that I am not in agreement with.

The other side of the coin that I think is important is that the government itself may consider certain matters to be votes of confidence and may choose to resign if it loses them. I think that the option for a government to make that kind of decision is one that needs to be open, should the government elect to use its position to say a defeat on this matter will result in an election or in resignation.

I think the government must always have that right, to be exercised at any time. If the rules of the House say that the government cannot do it in effect by listing those things which are matters of confidence, I think we have done a disservice to our system. The parliamentary system works by convention. Everything is not written. There are certain rules that are unwritten and perhaps their imprecision is helpful. We have some cases where the rules are bent one way. Sometimes they are bent another.

I think the advantage of our system is there is this flexibility because the matters are not put down in writing. Having said that, perhaps the intent of the hon. member was to lessen the strictures that the government places on him, as one of the government's backbenchers, to vote with the government. I can understand his anxiety to get away from having to vote with this particular government at any time. If that is his intention, I applaud it and I would invite him simply to come over to this side of the House and vote against it at every opportunity. He might feel more comfortable, but that is unnecessary to this debate.

• (1140)

What he is trying to do is free up votes in the House of Commons, and I commend him for that effort. It is something that is worth while. The question of freeing up votes is an interesting one because the debate is carried on in two planes. We have those who say we must have more free votes in the House. They urge members to break ranks with the party at every opportunity and vote in accordance with their own conviction or the view of their constituents, depending whether the two coincide. Presumably, it is to represent their constituents better, either by voting in accordance with their own view or that of their constituents. That is one argument.

The second plane or argument is that you free up votes by removing confidence votes from the House, by having fewer of those. Once that is done, particularly members supporting the government would feel freer in their votes because they would know that their vote would not bring the government down. It would not result in an immediate election. They would then know that they can express their disapproval of government policy by voting with the opposition and indicating they are opposed to the bill the government is proceeding with.

Frankly, it is the second argument that should be pursued. That is really the hon. member's intention, I think, in his wording. In my view, declaring free votes in this House will not help our political system. What we need to do is say that there will be fewer votes of confidence in this House. When voting on a bill like plant breeders' rights or the bill dealing with the transportation of hazardous substances, which we debated on Friday, or the bill we will be debating later today, a loss on one of those bills would not constitute a loss of confidence in the government. To my mind that would make sense. I am not sure there would be many who would argue that a loss on one of those bills would, in fact, constitute a loss of confidence in the government.

I have no doubt that if the government lost one of those bills in this House, the government would then introduce a motion of confidence and have it passed. The time to make that change is at the next election campaign when the governing party can announce in the next election that it will not regard votes on minor bills as matters of confidence. If that happens, it will free up votes in this House, which I think is a laudable aim.

I do not think we can free up votes in this House simply by saying that party strictures are abandoned. Members are going to vote with their party on most occasions because parties represent a coalition of interests. Members band together in parties because they believe they can be more effective working together than working apart. If each member of this House made his or her own decision on every issue, we would have real difficulty in coming to decisions in this place because members would be voting all over the map. There would be an unwillingness to compromise, to make a decision that is in the best interests of everyone.

The advantage that the party system provides to the Canadian voter and is often forgotten is that it forces members to compromise. They get together and say: "I will vote for your bill on this if you will vote for my bill on that". It is that kind of compromise that is made behind the scenes and in party caucus in many cases that affects the outcome of votes in this House, gets bills through and it makes the country work. It does work.

If we take away all those strictures and say it is a free for all, we will find that members are ganging up in coalitions that are out to break or stop the passage of certain bills instead of trying to do something constructive.

The party disciplinary system has its place. We need it. We can do with more free votes. I submit that the way to get it is to reduce the number of votes that are considered to be ones of confidence in the government.

For the benefit of the House, the Standing Committee on House Management has been dealing with this issue. There have been discussions. There has been an excellent document prepared by my good friend Professor Franks of Queen's University on this very issue, prepared for the government and released to the members of the committee. The committee is continuing its study. The subcommittee on parliamentary reform is drafting a report at this time, part of which will include some statement concerning free votes in the House of Commons and the confidence convention as it applies in this House. I am sure that at some point a document will come forward from the committee for discussion in this place.

While I welcome the hon. member's motion, I suggest that the wording of it is very seriously flawed. I appreciate the opportunity to have a brief discussion about it in the House. I believe it will come back. I urge the hon. member to continue his efforts and perhaps file a new motion later which may get drawn for debate as this one has and we can have yet another run at the issue.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I too want to participate in this debate. The unamended motion before us deals with two elements. The first is that only those votes which deal with government expenditure and proposed by the Minister of Finance would be excluded. Second, no member other than a minister may move a motion which would increase public expenditures.

The motion basically is redundant as far as the first part because the Standing Orders have been changed as a result of the McGrath report to allow a different view of confidence motions. We have argued in this House on a number of occasions, particularly as they relate to opposition days, more technically known as supply days, that governments need not consider the motions as a matter of confidence. We have had some movement.

Members will recall the motion that my party submitted for an opposition day. It was amended, I believe, by the Official Opposition. It was with regard to GATT. The government decided that this was not a motion of confidence. It was providing an over-all direction to Parliament and specific direction to the Prime Minister. One wonders whether he has actually followed up on that. He was supposed to go out and meet with somebody. So the House has the power and the government has the power to make that determination now and have availed themselves.

On the other hand, when the Official Opposition moved a motion under its opposition day reaffirming support of medicare, the government chose to consider that a motion of confidence. One wonders whether the government in fact was a bit worried about what it has been doing to medicare by the changes in funding to the provinces, but that is for another debate on another day.

The government has taken both sides on this issue. I welcome the member's initiative to try and get some clarification. As he knows, the government itself, two days before he tabled his motion, promised to open up Parliament, to provide greater opportunity for private members to participate. Perhaps if he had not been in such a rush to follow the government's agenda, he might have been able to come up with the solution that he tried to introduce into this House a few moments ago.

There are two other elements in this. People have been using freely the phrases "free votes" and "confidence votes" as if they were one and the same. They are not. There is no restriction in the Standing Orders that prevents the Official Opposition, the New Democratic Party or the group of independents to have a collective vote. At any time at all my caucus can decide on any issue that members are free to vote as they wish with no guidance, no direction and no whipping from the caucus. In fact, we did that. When this House cast a vote on whether or not we should be in the gulf during the war last year, we asked the House to make it a free vote, that members be allowed to vote their conscience. The government said no. Even though the question of abortion was a free vote, it was a matter of conscience. Even though capital punishment was a free vote, it was a matter of conscience. To a lot of us war is a matter of conscience as well.

• (1150)

So we freed up our members. We made a caucus decision. We took a vote with a show of hands in our caucus as to whether or not it should be a free vote. We also debated the merits to provide some understanding of the members in terms of the issue. To say that a confidence vote is a free vote for everybody is not the case.

A confidence vote is a very specific tool that governments use to sustain themselves as government because if a government loses a confidence vote it loses the right to govern and it must go back to the people of Canada to get a new mandate or attempt to get a new mandate.

There are areas that this government has moved on that would suggest to many are not matters of confidence.

We have the coastal trading act which started 15 years ago coming through the system. It made it to the House just before the 1988 election was called. It got through the House and to the Senate. There were some disagreements between the parties but it was not part of the government's platform as pronounced in either the 1984 or 1988 campaigns. It was bringing a piece of legislation up to date.

Those types of matters could be looked at as issues not to be deemed confidence and not as part of the government's mandate or agenda where there could be come flexibility.

We have to recognize that part of the reason for the call for free votes in terms of the public view is really for change in the confidence vote system because people are angry about the decisions the government has been making.

I found it interesting that the member's initial wording basically said that anything the Minister of Finance does we have to support.

Is the GST not from the Minister of Finance? Is that not the most hated tax this country has ever seen? Members on the government side like to suggest that if they had had the right to vote according to their conscience they would not have done it.

I would like government members to get up in this House and explain how they voted at their convention in Toronto a year ago. I assume, like our conventions, it is mandatory that they show up as a member of Parliament. I think it was 95 per cent of the delegates who endorsed the GST, after the fact, after this government had rammed it through.

Well you cannot have it both ways. You cannot be calling for free votes to try to appease your constituents who hate that tax. You cannot say you would have voted differently if you had had the right to a free vote.

They did not vote differently at the convention. The GST was in line with the philosophy and the approach of the Conservative Party and the Conservative government and the Conservative memberships. They do not deny that. They make no bones about it.

To suggest that things would be different if we had free votes is not the case. If there were free votes for everything but what the Minister of Finance does, the vast impact on Canadians is through the Minister of Finance, whether it is the GST, the income tax, the corporate tax—or should I say the lack of corporate tax—all of those things affect every Canadian on a daily basis.

It is the Minister of Finance who decides what money is going to go to health, to transportation, to external affairs. That is his budget. That sets the framework for the total operation of this country.

Having said that, the government of the day has the right because it has a mandate to govern the country. There is no question in my mind. So when we say we want to free up the government we have to recognize that it has certain responsibilities.

The government has the responsibility to manage the country properly. We may differ as to what properly means and we always differ on that because we all come to this House with different philosophies.

The government does have that right, but it also has the responsibility to ensure that what it does helps not hurts the responsibility and requirement that at some point it has to go back to the people.

The freest vote of all is the vote at election time. I sure wish we would have one soon.

Mr. Doug Fee (Red Deer): Mr. Speaker, I certainly agree with the intent of this motion and wish to commend my friend for Macleod for presenting it.

It deals with two important issues, issues that all of us have talked about and have been approached by constituents about for many, many years. I regret we could not get unanimous approval of his earlier motion to refer the subject matter. I sincerely hope that we can reconsider that issue.

I listened to the member for Macleod during his presentation and I agree with the editorial support that he quoted. People are calling for a more open, more visible system of government. This is an issue that is of concern to many, many Canadians.

Like the member for Macleod, I was elected and I came here to represent my constituents. Their interests come first. Many of those people have the impression, gathered from reports of confidence votes, that we are nothing but a group of trained seals in this place. We do not have the opportunity to really speak out and fully represent them.

Every weekend when I go home, constituents express frustration with the debates and the votes they see in this place. Most of these people have a very strong feeling about Canada. They have a strong feeling about the issues that are in front of us. They want to express themselves and they want to participate. They want to see their representatives in the House of Commons participating freely.

The member for Macleod has identified two issues that Canadians do have strong feelings about and two issues that many Canadians do not fully understand. They are issues that have generated and will continue to generate much thought and discussion. Yet to the public, it seems that we are limited to this very short debate. We agree in this place that we need a better definition of just what a vote of confidence is and what it should be.

I do not agree with the earlier argument that was made that we should wait until the next election. It should be debated and it should be researched now.

I agree with the principle that was raised earlier by my friend that perhaps the mover should not be allowed to make an amendment to his own motion during private members' hour. I do not think that that issue was decided on its merits.

So I would like to move, seconded by the hon. member for York—Simcoe:

> That the motion be amended to strike out all the words after the phrase "indicate that" so that the motion now reads:
>
> That the Standing Orders of the House of Commons be changed to indicate that all votes, except for those that deal explicitly on the matter of confidence in the government, be considered as free votes.

With the amendment, I would also seek the unanimous approval of this House to refer the new subject matter to the Standing Committee on House Management for further discussion and report back.

Mr. Gauthier: Mr. Speaker, on a point of order, before you put the amendment to debate, I would like to ask you to rule on the admissibility of the motion.

If one reads the motion that all members of this House got in today's Projected Order of Business and one compares that with the amendment that has just been proposed, I submit to you, Mr. Speaker, that that amendment is quite in conflict with the principle enunciated in the motion that appears on today's Order Paper.

I do not know if you will rule or have time to rule, but I wish you would immediately rule that that amendment is out of order basically because it introduces a concept called free votes which is not at all similar in the main motion put by the member for Macleod.

• (1200)

I take it that what the member for Macleod was trying to get at was to get the motion to the Standing Committee on House Management which indeed at this time is looking at this whole issue. He knows that. I know that. Everyone in the House knows that. But my point to you, Mr. Speaker, is if the order—

The Acting Speaker (Mr. DeBlois): Order, please. I apologize, because 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.

GOVERNMENT ORDERS

[*English*]

EXTRADITION ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-31, an act to amend the Extradition Act, as reported (with amendments) from the Standing Committee on Justice and Solicitor General.

The Acting Speaker (Mr. DeBlois): There is one motion in amendment at report stage to Bill C-31, an act to amend the Extradition Act.

[*Translation*]

The motion submitted by the hon. member for Port Moody—Coquitlam will be debated and voted on.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 1

That Bill C-31 be amended in Clause 4

(a) by striking out lines 42 to 45 on page 5 and substituting the following therefor:

"23. (1) Subject to section (2), a fugitive shall not be surrendered

(a) until after the expiration of thirty days after an order of surrender in respect of the fugitive is made by the Minister of Justice under section 25; or"

(b) by striking out line 2 on page 6 and substituting the following therefor:

"the court and the expiration of any period of time in which a further appeal or application for leave to appeal to another court may be filed.

(2) A fugitive may inform the Minister, in writing, that the fugitive does not propose to commence an appeal or proceedings for a judicial review in respect of any matter arising under this Act, and where the Minister is so informed, the fugitive may be surrendered forthwith."

He said: Let me just bring the House up to date as to where we are on this bill. This is the extradition bill.

Extradition is when someone commits an offence in another country, comes to Canada, is arrested in Canada, and then the other country applies to Canada to extradite that person.

A good example was the Charles Ng case. My friend has just said it is a bad example and that is part of the reason we have the bill. Mr. Ng was alleged to have committed a number of murders in California. He came to Canada and was arrested here, luckily, over an incident. It was actually a shoplifting theft incident in Calgary, I believe. He then went to a Canadian jail and awaited extradition.

Our extradition laws have been in need of revamping. I think we would all agree, every side of the House would agree with that. Certainly we got a thorough airing of the law in terms of the number of appeals that Mr. Ng went through. Most of us thought it was too long; some people would cut it very short. A number of us felt in the House that what we have to do is get a balance to get a fair procedure.

I underline this to the members of the House, the reason the Ng case went on so long was that Ng challenged through his lawyers the principle of whether Canada could extradite or send someone back to a country that had the death penalty for murder when we do not have the death penalty here. The Supreme Court decided that in fact Canada could send people back to a country that had the death penalty.

The minister does not have to do that. Just recently the Minister of Justice in extraditing someone to Florida said: "I will extradite the person to Florida as long as you give me an undertaking that the death penalty will not be asked for'. There is some fairly wide discretion.

One of the problems, as I have outlined before, is in an extradition case like Charles Ng there seems to be almost an abuse—not an abuse because you are entitled to an appeal—with appeal, after appeal, after appeal. There was delay. On the other hand, a decade ago there was the case of Leonard Pelletier, an Indian activist, an aboriginal leader in the United States, who history seems to say was extradited on fabricated evidence, affidavits. That is a blot on the Canadian justice system. Mr. Pelletier is still in jail in the United States.

We do not want that to happen. We have to find a fair way. All members of the justice committee, and I am looking at my friend from Peterborough, my friend from Cape Breton—The Sydneys and so on, tried to find some system that would be fair and have fair procedural matters but would not involve too long a delay.

What does my amendment do? My amendment catches a matter that I think is a fault in the bill. What happens is that when the appeals are exhausted, the minister decides under section 25, because it is a political decision at that point, a decision of state, to agree to the extradition as has been ordered by the Canadian courts, after all appeals have been exhausted. There is a tendency, and we saw it in a recent case, of suddenly the person is gone right out of the country right away. There was not even a chance for the lawyer to even meet with his client. That is pretty tacky, it seems to me, and not within the principles of justice that we should have in Canada.

My amendment simply gives a short period in which there can be a consideration of further appeals or a consideration of getting things in order before the person is actually extradited to the country that is seeking the extradition. It seems to me that is fair and just. That is not a long delay.

Not only that, I am following what the Canadian Bar Association said. I draw your attention, Mr. Speaker, to the Canadian Bar Association regarding the date of surrender. I quote their brief to the legislative committee on this bill: "A fugitive should not be surrendered to a foreign state until he or she has had an opportunity to exhaust all rights of appeal provided under the Extradition Act".

I am just checking my notes of what the bar said: "A fugitive should not be surrendered to a foreign state until he or she has an opportunity to exhaust all rights of appeal provided under the Extradition Act. Allowing the fugitive an opportunity to exhaust such rights requires that he or she have a reasonable period of time following any decision to determine whether or not to file an appeal or to apply for judicial review. Paragraph 23(a) of the act, as proposed in Bill C-31, does not provide the fugitive with a reasonable period of time following a decision by the minister under subsection 25(1). Further, proposed paragraph 23(b) does not allow the fugitive a reasonable period of time following a decision by a court of appeal to bring an application for leave to appeal to the Supreme Court of Canada".

The recommendation that is set out is recommendation 12 of the Canadian Bar Association. I basically followed that in the drafting of my amendment which was read to the House.

We heard in the committee from Donald MacLeod, the lawyer for Charles Ng. If I might say parenthetically, I was very impressed with Mr. MacLeod. John Diefenbaker once said this: It is tough for a lawyer to take a pretty unpopular case. This was an unpopular case. MacLeod in my view handled it well. He handled himself very well in front of our committee. I think all members felt that way. Mr. MacLeod said before our committee, and I quote:

• (1210)

> If surrender is effective before a Notice of Appeal is actually filed, access to the appeals process contemplated by the bill can be completely frustrated.

I draw the member's attention to what Mr. MacLeod said at page 13 of his brief. I quote:

> As currently drafted, the bill makes no provision for automatic stays of execution during all appeal periods. If surrender is affected before Notice of Appeal is actually filed, access to the appeals contemplated by the bill can be completely frustrated.
>
> I would suggest automatic stays such as those contemplated by former provisions of the Criminal Code for death penalty cases as means of guaranteeing access to appeal process, section 604 and section 607(3) of the Criminal Code as they stood in 1975.

There is a precedent.

I asked the question of some departmental officials who were with the parliamentary secretary, whom I welcome. I see him in the House, the member for Niagara Falls. The departmental officials rejected my amendment. They said that the amendment would mean cases like that of Mr. Obomsawin, who, it is reported,

wanted to be extradited immediately. They said the minister's hands would be tied.

That is not true. In other words, this is someone who did not want an appeal, "Just get me extradited". You will see from my amendment, clause 2, I say:

> A fugitive may inform the Minister, in writing, that the fugitive does not propose to commence an appeal or proceedings for a judicial review in respect of any matter arising under this Act, and where the Minister is so informed, the fugitive may be surrendered forthwith.

That takes care of that argument.

The second argument the department put up was that the amendment would mean a stay of execution of up to 120 days should the Supreme Court be in summer recess. They are technically right. July and August are excluded from the computation of the 30-day and 60-day limits normally applied to appeals, if you look at the Supreme Court Act and the Federal Court Act. How many cases will this actually affect? We are just talking of that period of the summer which affects everything in our judicial system anyway. Do we toss out the principle of fair and even-handed application of justice, the very principle of our right to appeal that the legislation recognizes, simply because the court has gone fishing for the summer?

There could be a short delay in some cases in the summer. That is a pretty weak argument, it seems to me, for arguing against my motion.

In the couple of minutes remaining, I would just draw the House's attention to the evidence of David Givens, a trial lawyer from Vancouver, who has done a lot of extradition cases, including the Reyat Interjit Singh case involving the bombing of the Indian airliner. Mr. Givens said that—

The Acting Speaker (Mr. DeBlois): Your maximum 10 minutes has now expired.

Mr. Waddell: Could I just point out then, Mr. Speaker, that—

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give more time?

Some hon. members: Agreed.

Mr. Waddell: I thank my colleagues.

I would suggest you look in the Givens' statement. Look at some of the evidence in other cases, the difficulty lawyers have contacting their client, arranging matters, talking further about appeals and so on. This amendment is not asking much. It is simply asking that after all appeals are exhausted and the minister is about to grant the extradition that there be a short period, as I say in my bill, of up to 30 days, to give counsel time to meet with his or her client, to look at the matter, to decide where they are going from there.

That is not unreasonable. As I said to the House, we in the NDP will support the extradition bill. I suggest the government might consider supporting this amendment.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to speak on this amendment. I have a concern, and I am hoping that the hon. parliamentary secretary can address it. Like the member for Port Moody—Coquitlam, I have a concern on this. It is a fundamental concern.

My concern is not that the lawyer have a chance to speak with his client after all the rights of appeal have elapsed, to say goodbye or whatever he wants to do, take him to the World Court or whatever. We have here in this process a right of appeal. My concern is that upon having a judicial review of the order of extradition, the government has the power to whisk the person who is the subject of the extradition order out of the country before that person has the right to file a right of appeal.

I was not there to listen to the Canadian Bar Association's suggested amendment, but from reading this, this would seem to me to be their concern: that you have the hearing, the hearing is over and immediately upon the finish of the hearing, the person is whisked on to a plane and taken out of the country before that person has a chance to file an appeal.

That would seem to be a denial of the person's fundamental right under this act and under the fundamental right of justice actually. If, in fact, it is a question merely of the person being able to be taken out of the country immediately after the finish of the hearing of the appeal, I have no problem with that.

I feel that if there is a right of appeal, the person who is the subject of this hearing should be given time to speak with his or her lawyer about filing that appeal. To me, this is not clear. I would hope that the parliamentary secretary could give me some information and clarify this for me.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I am pleased to say a few words at the report stage of Bill C–31, the extradition bill. I hope to have the opportunity as well tomorrow when this comes up for third reading stage.

There are quite a few defects at the present time. Whatever else we can say about the extradition law in this country, I think we can say three things for sure. We can say that the law is enormously complex as it stands now. It results in long delays, and it requires a great deal of costly court time. It has those three defects, all of which I think most Canadians would agree should be remedied.

I suggest that the extradition bill that is presently before Parliament goes to those three problems that I find. The present legislation as it now stands gives an opportunity for an individual who is fighting extradition to get as many as three times in sequence the opportunity to have his or her case reviewed by the Supreme Court of Canada; three times in sequence.

Tell me what other forum or what other law in Canada would provide that kind of opportunity for an individual. One of the problems, and perhaps the major problem with the extradition law in this country as it is now, is that it provides that individual who has come here far more remedies than are available to a person charged with a criminal offence under Canadian law. You get far more remedies, far more kicks at the can if you have come from elsewhere to Canada to try to pursue your rights than if you are a Canadian citizen charged with an offence in this country.

As I say, you cannot give me another case where you or anyone would have a case, a problem or a charge that could be reviewed three times in sequence by the Supreme Court of Canada. You cannot come up with any examples because it only exists in the extradition law.

That is why the government, rightly so, has come forward with the changes. With respect to the motion presented by the hon. member for Port Moody—Coquitlam, I would suggest that the effect of the amendment would be to prevent the surrender of a fugitive to a foreign state until either the expiration of 30 days after the Minister of Justice makes a surrender order under section 25 or the expiration of any appeal periods or any periods in which to make an application for leave to appeal, whichever time is later.

• (1220)

Presumably the reason for the suggested amendment is to prohibit the surrender until after the relevant appeal periods have expired in their entirety, whether or not the fugitive has actually filed an appeal or an application for leave to appeal.

The amendments contained in Bill C–31, include a statutory bar to surrender where an appeal is actually pending. In other words, a fugitive could not be surrendered where a notice of appeal has been filed on behalf of that fugitive according to the provisions of Bill C–31. These provisions do not contain a prohibition on surrender during the periods in which an appeal or leave to appeal may be initiated, if an appeal has not actually been taken.

The reason that a prohibition on surrender of the nature contemplated by the hon. member's amendment is not included in Bill C–31 is that it increases, in our opinion, the likelihood of delay. Bill C–31, on the other hand, encourages appeals on behalf of the fugitive to be initiated promptly. This is consistent with the general aim of the bill which I indicated earlier, which is to reduce delays in the handling of extradition cases in this country.

A legislative prohibition on surrender within the statutory appeal periods, where no appeal has been filed as proposed by the hon. member, has the potential to be abused by fugitives who are seeking a means to stall a likely surrender.

For example, in the case of an appeal to the Supreme Court of Canada, this amendment could result in a delay of up to four months before an appeal is filed where the summer recess of the court is calculated as part of the period within which to apply for leave to appeal. Otherwise the amount of time permitted to appeal to the Supreme Court under the Supreme Court of Canada Act is 60 days.

Out of concern over opening up the possibility of inordinate delay, the government is unable to support the amendment of the hon. member for Port Moody—Coquitlam. Instead the government intends to re-examine the issue of forestalling surrender of a fugitive during appeal periods.

A comprehensive review of all aspects of Canadian legislation in this area is taking place and certainly members of the government hope to introduce further changes to this area of the law later this year. In the meantime, I would suggest to hon. members, because of the possibility of delay, because of the possibility of abuse which goes contrary to the stated intentions of this bill, they turn down the suggested amendment by the hon. member.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, just on a small point.

My concern is with the fundamental right of justice. I think this is basically a very good bill. Our party has no problem with the bill over all. It is a step in the right direction.

As the hon. parliamentary secretary has said, there were far too many appeal processes that were not really necessary. But this bill, through the ability of the country to whom the person is sought to be extradited, has a chance to make application and the person who is the point of the extradition has the chance to appeal. I think it looks after these areas.

My concern, and I have stated it to the parliamentary secretary, is that while it gives the right of appeal to the person the government is seeking to extradite and says this person cannot be deported, turn this person over to the other country while this appeal is pending. The problem is, once the hearing is finished the government has the right to whisk this person out of the country before this person has an opportunity to speak to his or her lawyer on the question. There would be no way to file an appeal, therefore, the appeal cannot be pending if it is not filed. If the right of appeal is there why is the person being arbitrarily denied that right? That is my only concern and I think it is a valid one in the motion proposed by the member for Port Moody—Coquitlam.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I just want to point out that there is no question and comment period at report stage. It is purely out of gentlemanliness, as a courtesy, that I recognized the hon. member for Cape Breton—The Sydneys. If the hon. parliamentary secretary wants to answer the question, he may, but I would not want to set a precedent.

[*English*]

Mr. Nicholson: I am always pleased to speak a second time, Mr. Speaker. I am very enthusiastic about this bill.

I have heard the concerns of the hon. member. I can indicate to him that in our review of the bill in this area we will have a look at that to make sure we have struck a balance between the government's and the Canadian people's justified concern in seeing that these matters are held in an expeditious manner and are dealt with in a fair manner and the concerns expressed by the hon. member on behalf of an individual who is the subject of an order sending him back to his or her country of origin.

We will be having a look at it, but I think the present law has erred on the side of providing for too much delay, too much review and too much stalling. I think this is one of the reasons why Canadians have come forward and said to us that we must do something about extradition in this country because that kind of legislation is not working.

The hon. member says: "We have erred on the other side. Now we are trying to rush these people out of there". I can say to him that during the review of the bill, the witnesses who came forward and my interpretation of the bill, I think it does strike the balance. It is in conformity with the tenets of fairness that we expect within Canadian laws and within the Canadian judicial system.

I do not think it goes too far the other way in trying to hurry these individuals. That is certainly not the intention of the bill. It is that everyone should be dealt with in a fair but expeditious manner that takes into consideration our collective rights as Canadians to have a system that works and is not open to abuse.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I will not take much time because I see that all three parties are supporting this bill.

I want to emphasize to the House how many representations I had from my constituents in Parkdale—High Park about this extradition bill. Their biggest concern is that the criminals we are harbouring in Canada have more rights than the victims.

I am pleased that finally all three parties are listening to what the Canadian people have been telling us and passing this legislation and, at the same time, being fair. The message I received was loud and clear: we are giving more rights to the criminals than to the victims. Hopefully this will end with the passage of this legislation.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the nays have it.

And more than five members having risen:

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before calling in the members, I want to remind hon. members that pursuant to the item on the Order Paper divisions could—I did say "could"—be taken this afternoon at 5:45 p.m.

• (1230)

I want to make it clear, before calling in the members, that this vote is not automatically deferred until the end of the day. It can be taken forthwith, if the hon. members so desire. However, for the time being, I have no choice but to call in the members.

[*English*]

Mr. Angus: Point of order, Mr. Speaker. There have been consultations and I think the Whip for the Official Opposition will be informing the Table that the vote will be deferred until 5.45 p.m.

Mr. Cole: Mr. Speaker, there has been agreement among the parties to defer the vote until 5.45 p.m. I think you will find there is that agreement.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Just to make sure everything is quite in order here, I will put the question anyway. Then I will recognize the hon. member for York—Simcoe to move what he has just suggested.

Call in the members.

[*English*]

Mr. Cole: Mr. Speaker, I think you will find there is agreement among the parties to defer the vote you have just called to 5.45 p.m. tonight.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I apologize. I thought that by saying "call in the members" there would be a call of the bells. In any case this is a technicality. However, I want to make sure that we are following the rules of the House and I would appreciate a call of the bells. Then, I will recognize the hon. member for York—Simcoe.

And the bells having stopped:

[*English*]

The Acting Speaker (Mr. DeBlois): Order, please. Pursuant to Standing Order 45(5)(a), I have been requested by the chief government Whip to defer the division to a later time.

[*Translation*]

Pursuant to Standing Order 45(5)(*a*), the division on the question now before the House stands deferred until 5:45 p.m. today, at which time the bells to call in the members will be sounded for not more than 15 minutes.

I apologize for any confusion, but the Chair wanted to make sure that the rules were well followed and understood. It is always better when things are explained before rather than after. I thank you for your co-operation.

Government Orders

FEDERAL–PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST–SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C–60, an act to amend the Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act, as reported (without amendment) from the Standing Committee on Finance.

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): There are four motions in amendment regarding the report stage of Bill C–60, An Act to amend the Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act, standing in the name of the member for Essex—Windsor.

[*English*]

Motions Nos. 1, 2 and 4 will be grouped for debate and a vote on Motion No. 1 will apply to Motions Nos. 2 and 4.

[*Translation*]

Motion No. 3 will be debated and voted on separately.

[*English*]

I will now propose Motions Nos. 1, 2 and 4 to the House.

MOTION TO AMEND

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 1

That Bill C–60 be amended by deleting Clause 1.

Motion No. 2

That Bill C–60 be amended by deleting Clause 4.

Motion No. 4

That Bill C–60 be amended by deleting Clause 7.

He said: This bill in front of us today does two or three significant things.

Part of the bill deals with the extension and improvement of equalization payments for seven provinces throughout the country. We have no quarrel with that part of the bill, nor have we moved any amendments with respect to it.

A second part of the bill provides a guarantee of personal income tax revenues to provinces, and that guarantee is extended for two years in the bill. We feel it is important that this bill have the effect of increasing the sense of urgency to deal with the whole set of problems associated with transfer payments in this country, as the federal government has been off–loading many of its costs onto the provinces by reducing the expected amount of transfer payments for the provinces.

We have moved an amendment which reduces the extension of this guarantee from two years to one year. Within this one year period, it should be possible to deal with some of the serious problems which exist with respect to other transfer payments besides the equalization system.

The third thing this bill does, which is what this set of amendments deals with, is make it possible for provinces to enter into arrangements with the federal government to effectively establish harmonization of sales tax regimes so the goods and services tax, which we so profoundly object to, can be harmonized with provincial sales tax regimes.

We have seen and heard from every manner of small business across this country. Whether this small business happens to be in the service sector, in manufacturing, the corner grocery store, or the diaper service that services your child, we have heard nothing but horror stories about the way the goods and services tax has imposed a massively increased administrative burden on these small businesses.

• (1240)

I have sat and talked with small business people in my constituency who have told me they have to take as much time now to deal with the administration of this tax as they do to promote their businesses. I can tell you about specific cases.

The Great Canadian Trading Company, for instance, is an important business employing people and selling Canadian items to tourists coming from the United States in the Windsor area. The owner of this business has told me she has to spend over half her time administering this goods and services tax. It is not because she is an uneducated person. It is because her business is a particularly complicated business. It is not large enough to justify hiring a specialist to look after the administrative problems of the goods and services tax. Her small enterprise purchases Canadian craft goods

from over 800 different suppliers from across the country.

That kind of business finds itself absolutely crippled by the goods and services tax. The government has suggested to us that we can somehow solve some of these administrative problems by creating one grand tax covering both provincial and federal revenues. It would be a super goods and services tax which would somehow make things easier for small businesses. It will not. It will make things more difficult for small businesses across this country. What is already a problem for firms, such as the one I referred to in my comments, will become an even bigger problem.

We have moved these amendments because we think they should be taken out of this piece of legislation. We think there should be nothing in this piece of legislation that gives any stamp of approval to the goods and services tax. As far as we are concerned, this tax should be eliminated from the arsenal of tax measures in this country.

If we get the chance to form the government after the next election it will be eliminated, and it will be eliminated because it is a bad tax. It establishes an inequality between small businesses in Canada and those in the United States, which is so grossly unfair that those small businesses on our side of the border simply cannot compete effectively.

We must give those small businesses in Canada a fighting chance to compete effectively, not against countries in Europe which have value-added taxes, but against companies in the United States where they do not. When we visited Washington a few months ago we were told they have no chance of putting a value-added tax into effect. To establish fairness of competition for our small businesses here in this country facing small businesses right across the border in the U.S., we must see to it no stamp of approval whatsoever is given to the GST. That is why I urge people in this House to vote for these amendments. They will have the effect of stopping this government's continuing efforts to legitimize a bad tax which has increased the recession, put more people out of work in Canada, and made life much, much more difficult for small business people right across this country.

I urge those people in the Conservative back benches, who should be listening to their constituents and standing up against the GST, to support these amendments. I urge the Liberals, who go back and forth on this issue of the GST, to make it clear in this case they are going to take a position which stops the government from putting the GST under yet another stamp of approval from this House of Commons.

I hope these sets of amendments, which I have moved with respect to this legislation, will be accepted for that reason.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I rise to address the amendments to the proposed bill under discussion.

One part of the proposed amendments would diminish the revenues guaranteed from two years to one year. The other would delete clauses intended to improve tax administration between the federal government and those of the provinces.

I will deal first with the proposed amendments to the revenue guarantee.

Hon. members will be aware that the proposed amendment to the revenue guarantee does not directly affect the main purpose—

Mr. W. Langdon: I should point out to the Conservative member who is speaking that the amendments do not include the revenue guarantee. That debate will take place with respect to the next amendment moved, as I understand it.

Mr. Richardson: I appreciate the intervention of the hon. member but I think I will carry on.

Honourable members will be aware that the proposed amendments to the revenue guarantee do not directly affect the main purpose of the proposed legislation before us, the renewal enhancement of the equalization program. However, just because this House is aware of this distinction, it does not mean the provinces or the public in general will seize this subtlety. Therefore, it is important all of this legislation apply for a period of two years.

There are good reasons for having chosen to renew the equalization program for two years. Renewal at the traditional five-year period would have given every appearance of a lessened federal commitment to the current review of all three major transfer programs.

Such a message would not reflect our intentions, so we did not want to send it.

We considered the other extreme of reviewing the equalization program for a single year, but this would have turned up the heat for the transfer review process and left the seven equalization-receiving provinces without the transfer revenue certainty they need for reasonable planning horizons.

After more than 20 months of consultations with the provinces, we settled on a two-year renewal period. We believe it offers the best balance between the need for impetus and flexibility in the review process, and revenue certainty for the provinces.

This is the way the provinces understand the proposal as of today, and all of the recipient provinces have agreed to this proposal. It would be regrettable if this House sent a signal that the agreed upon time frame was less than secure.

I would now like to refer to tax administration and turn to the proposed deletion of clauses related to tax administration amendments.

The clause in question set out a legal framework for amendment agreements between the provinces and the federal government, providing for the administration and enforcement of a federal tax by a province, or the administration of a provincial tax by the federal government.

• (1250)

Such agreements improve the over-all efficiency of the Canadian tax system and thereby contribute to a better tax system. The provisions of the bill also simplify the payment of taxes for individuals in cases where an agreement has been entered into.

The clauses in question provide for simplification of payments in taxes and refunds in cases where a province is administering a federal tax. In such cases, the bill allows the taxpayer to validly pay the province the federal tax that the province is administering.

The province will also be able to pay tax refunds to an individual on behalf of the federal government. In this way, it will be simpler for a taxpayer to pay and to receive refunds of a federal tax that is administered by a province. Under these clauses, the same is true of provincial taxes that are administered by the federal government.

The clauses in question also provide for simplified remittance to the federal government of taxes collected by a province on behalf of the federal government. In such cases, the clauses state that the province may deduct from the taxes so collected the amount that it has paid to persons on behalf of the federal government.

The remittance of provincial taxes collected by the federal government will also be simplified under these clauses. I could go on, but I think the House gets the point. We are talking about making tax administration and enforcement more efficient and hence less expensive.

Canadians have made it abundantly clear that they expect their governments to do everything they can to improve efficiency and cost effectiveness. I say to the House that we should retain the clauses that are proposed for deletion.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I would like to reply to that. I heard the member say it is to improve efficiency. Those words sound sort of cold, bureaucratic and as an economist would speak. To improve efficiency.

Mr. McDermid: What have you got against economists?

Mr. Waddell: I have nothing against economists, but there is a real world out there. They are not listening and similarly the government.

I received some phone calls last night. One phone call was from a senior who told me that the seniors got 37 cents on their pensions as a cost of living increase. They got 37 cents. That is the three month cost of living increase.

Mr. McDermid: So we got inflation down.

Mr. Waddell: Just look at that. The government has a GST now that it wants to harmonize with the provinces.

You buy a hamburger and I am not talking about buying it at McDonald's where most seniors buy hamburgers, but let us say you buy a hamburger with a salad and maybe some French fries. You can get that at a restaurant for $4.98 or $4.99, if you shop around.

Let us say a senior goes out and gets a hamburger at $4.99. They pay 7 cents on the dollar in GST. Seven times five is 35 cents. So to buy one hamburger you have to pay 35 cents tax to this disastrous government that almost equals the amount of the increase received.

Prices have moved up. I know the government says: "The inflation rate is going down". Look at the real world. It is off-loading its deficit onto the provinces and they are off-loading it onto the municipalities.

It means to people in the greater Vancouver area where I come from that somebody has to pay more money for transit, seniors. Somebody there has to pay more money for house taxes, seniors. Somebody there has to pay more money for water taxes, this or that, the seniors.

What do the seniors get from this government? They get 37 cents. Go out and buy a hot hamburger, and you pay that in taxes to this government on the GST.

What does the government want to do? It wants to harmonize the GST. Do you know what it should do? It should take the damn tax right off. It should take the GST off, and it should tax the people who can afford to pay the taxes. It should not tax the seniors who get a bloody 37 cents from this government. It is shameful.

I know we got into a little trouble with the Mace. I got into trouble. It was my fault and I apologized to the House and I was disciplined for it. It was over a vote, a quick vote that was held because the government made seniors pay their taxes unlike other people. Unlike other people, the government was making them pay their taxes quarterly. Many seniors were suddenly getting hit with these tax bills and interest. We found out it was $300 million it was taking from the seniors, collectively. Individually, of course, it was giving seniors an increase of 37 cents.

Now I know the economists. I respect the economists and I respect the people who say: "Well, Waddell, you are crazy. You are getting up here and equating $300 million with 37 cents".

There is a real world out there that the government has to face in an election, if it had the guts to call an election. This gutless bunch will not call an election because they are scared. Mulroney gets up and he says: "I am going to call an election". But he is scared.

Mr. McDermid: Mr. Speaker, on a point of order, I do not want to do your job, but we refer to one another in this House as hon. members, not by last names. I am sure that the hon. member, who is in full flight right now, would apologize to the House for that.

Mr. Waddell: I will apologize to this House when Mulroney gives the seniors some money and gets rid of this GST.

An hon. member: Your time is not up.

Mr. Waddell: My time is not up. I will continue. I am not apologizing to this House.

The Mulroney government, which you can call a government, this sham of a government has no guts to call an election. Come on, call an election. Let the seniors get at you. Come on, let all those people that pay the GST. Come on call it, we are waiting. Call it. You are gutless. You know what you are doing. You give 37 cents to the seniors of this country. Thirty-seven cents. That is where they are at. The gutless—

The Acting Speaker (Mr. DeBlois): Order, I remind the hon. member that the debate is on Bill C-60.

Mr. Waddell: I am speaking to the bill, if the members would listen. I am speaking to the bill. The bill is about the GST and about harmonizing. I am saying that the government is requiring seniors and other people in this country to pay the GST. At the same time it gave them 37 measly cents.

An hon. member: Why?

Mr. Waddell: Why? What do you mean why? Why did you not give them some decent money, if you are going to tax them? You are going to take $18 billion.

Do you know what the government does? Do you know why it wants to harmonize and get more money? It wants to take this GST money but not to pay down the deficit. It wants to put it in a big slush fund for the election it is going to call, not now but in 18 months at the last minute.

From this big slush fund, it is going to take that money from seniors and other people in Canada and it is going to give it to political consultants, to ad makers, to the people who are going to try to warp public opinion. Well,

the government is not going to get away with it. It is not going to get away with it. People are fed up.

Mr. Bouchard (Roberval): Mr. Speaker, on a point of order, we are used to the rhetoric of the NDP, but I just want the member to be reasonable.

It is difficult, but he knows very well that some citizens in this country are well protected, even with 37 cents. No other group of people around the world can say that its spending power is protected so well for the 37 cents they receive.

They talk about children, people losing their jobs and so on. The rhetoric of the NDP is to spend money, spend money, spend money. That is the wonderful world where they are because they do not have to find the money.

Once again, be reasonable and tell the truth to Canadians. It is what we are about here, my friend.

Mr. Waddell: I will reply to the minister. Get out of your limousine, Mr. Minister. Get into the real world. Get out to McDonald's or the food banks. Get out of the big fat city that the Mulroney Tories are in. You may be gutless enough to not speak out in Quebec.

The Acting Speaker (Mr. DeBlois): Order, please. I asked the hon. member to be relevant about the subject of the debate. Debate is on Bill C-60.

Mr. Waddell: I am relevant. I am saying to the House, to this fat bunch of Tories who are not listening, I am relevant. People have phoned me and said: "By God, we got 37 cents from this bunch and now they put an $18 billion tax on us, collectively". This is why they are mad at you. My friend you live in a world—

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order. I repeat once again that the debate is strictly on the motions to amend Bill C-60; consequently the scope of this debate is very narrow. I request the co-operation of the hon. member.

[*English*]

Mr. Waddell: I am dealing with this motion. The motion calls for harmonization. The motion talks about the GST. I am saying that to buy a hamburger with a salad for $4.99, seniors and other people in this country have to pay 35 cents in GST. The government wants to harmonize it with the provincial tax so they will pay more. And they are saying: "Thanks, you gave us—

The Acting Speaker (Mr. DeBlois): The hon. member's time has expired.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I listened with great interest to the tirade of my hon. friend. He told us to get out of the fat cities. I saw him in fat city Toronto yesterday.

Some hon. members: Oh, oh.

Mr. McDermid: It is very easy to get the NDP going.

Mr. Waddell: Mr. Speaker, on a point of order, I would like to know what the minister has against Toronto. There are seniors in Toronto who got their 37 cents and are paying the sales tax.

The Acting Speaker (Mr. DeBlois): That is not a point of order. It is a matter of opinion.

Mr. McDermid: Mr. Speaker, I will talk to that. Let me just say that the government is going to oppose the motions that were presented by my hon. friend from Windsor.

An hon. member: Why?

Mr. McDermid: Because they are inappropriate for this bill, that is why.

One of the things my hon. friend fails to mention when he talks about increases in old age pensions is that by law and for many, many years senior citizens pensions have been indexed to the cost of living in our country. Because the inflation rate is so low, that is why they are getting that amount of increase in their cheques.

I agree with my hon. friend that it is a small amount but it is the law of the land. It is a law that was passed by this House of Commons and by the way, supported at the time by the New Democratic Party. I want that made very clear. They supported the indexing of senior citizens pensions. As a matter of fact, at that time I believe it was a unanimous decision of this House. So my hon. friend is railing away at the government and how terrible it is about this type of thing.

I want to say that one of the things he failed to mention when he talks about the GST and moneys to seniors is that because of the GST they also get a cheque from the federal government that protects people with low income. That is part of the program. He failed to mention that today.

We had not had sales tax rebates for people with low incomes until this government brought that in, I believe in 1986. The Minister of Finance, the hon. member for Etobicoke Centre brought that in in 1986 and it has been greatly increased over that period of time. Until the goods and service tax came in, in fact, that was increased.

I understand the hon. member's concerns. I have had the same calls from seniors who were concerned about the low increase in their senior citizens pensions. Again, that is because we have been able to get inflation down. In getting inflation down that helps those on a fixed income. These wild increases in costs that we had, which forced the inflation rate up was damaging to our senior citizens. Keeping the inflation rate down is very important.

This bill is about transferring funds to provinces. There are great debates on that. I listen to my hon. friend when he stands up and rants and raves about off-loading onto provinces who are off-loading onto municipalities. Every expenditure in a municipality now is the federal government's fault. Every increase in an expenditure is because we have so-called off-loaded.

I want to point out very clearly that we have increased moneys to all provinces of Canada since 1984 by an average of 5 per cent. Ontario's increase was 6.2 per cent, including the year 1992-93.

I want to make it very clear that increases are going to the provinces, but not the huge increases we used to see. The Ontario government in its generosity was increasing its welfare spending at the rate of about 24 per cent a year. We had no control over any system in Ontario to make handing out welfare easier or simpler.

It was costing 24 per cent more per year and we had to put some kind of a limit on it, so we said we would not increase it any more than 5 per cent a year. I think people want that.

I hear this off-loading story all the time, yet there is just one taxpayer paying the bill. Whether he is paying it municipally, provincially, or federally, he has to pay it at some level if he is going to get a service.

I do not understand blaming the federal government for all the woes of the provincial and municipal governments. We are going to hear it from the Ontario provincial government when it comes out with its budget, and probably in its Speech from the Throne today.

I spoke to the premier of Ontario for some time yesterday, and his government is coming forth with its Speech from the Throne today. I am sure the federal government is going to be blamed for a lot of things. It is setting us up for its budget as well.

The point is that moneys are increasing to the provinces, not at the rate they would like, but that is natural. It is not going to municipalities at the rate they would like to see it increase from the provinces.

The taxpayer of this country is saying: "Whoa, no more taxes", whether they are federal, provincial, or municipal. The bills keep going up, the spending keeps going up, and governments are not putting any discipline on their spending. The Peel Board of Education in my constituency, which I believe is the largest board in North America, has done some trimming and made some announcements. A lot of people are opposing their cut-backs. That is fine.

But at the same time they are saying we cannot have these large increases and expenditures because we cannot afford them. We have to economize.

So that is happening, and I believe we in the federal government are certainly going to take the rap for this type of thing. It is easy to point fingers and we all do it in political life. We say it is the Ontario government's fault, or the municipal government's fault, or the federal government's fault. It is all our fault.

We are trying to get a common sense approach to government expenditures. That is what this is all about. I must say this bill does help provinces out. It does help seven out of ten provinces with increases in transfer payments. Agreements have been reached between the federal government and the provinces for the next two years on the transfer payment program. Naturally they would like more money. I understand that.

This bill will provide some extra money for some of the provinces and I believe it is most necessary. We will be voting against these amendments as proposed by my hon. friend in the New Democratic Party.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I am pleased you recognized me. Mind you, with the shouting match going on between the members to my left and the members across from me, I wondered if I would ever get a word in edgewise, especially from the members on my left.

I do not like this bill. I have a lot of reservations about the way the government has handled the transfer payments. I recognize there are a great number of problems, and I know there are no easy answers, but we are not going to support this bill.

• (1310)

On the other hand, I am also realistic enough to realize the moneys contained in this particular bill are very much needed by the provincial governments. It is fine to impose the bill, but not to unduly hold it back. For every day these provinces do not receive their moneys they must borrow, and then perhaps they have a more difficult time looking after the needs of their people. Let us never forget these moneys are going to help people.

I sat through the interventions by the member for Port Moody—Coquitlam on this particular amendment. The people to my left seemed to be very much concerned with the GST and the possibilities of its harmonization. They are accusing the government, of course, of having something in this particular bill that would facilitate harmonization. Well there is no surprise in that. The Conservative government has said from the beginning it would like to have harmonization with the provincial sales taxes across the country.

I am wondering if perhaps the New Democratic Party has had some inside information from some of its provincial leaders as to their inclination towards harmonization. Perhaps it has lost control of its provincial arms and Ontario and British Columbia, very much NDP-run provinces, might be ready to harmonize with the federal government.

I cannot understand otherwise why there is this great fear and harangue by the NDP members to my left about harmonization. It would seem to me they could just grab the phone, call up Mr. Bob Rae, and he, being a good NDP, would say: "Absolutely not. Never will we ever harmonize". It would be the same thing with the premier of British Columbia, so I am at a loss to understand this great debate about harmonization. I would expect they would be in a very good position to keep their ideology within their party, and make sure it certainly does not happen, at least with Ontario and British Columbia.

Something tells me there is more to this than meets the eye when you sit and really listen to the long, drawn-out debate about it. I would love to have some of that inside information they may all have, because it would certainly allow us to prepare for what is coming. Many of us have no idea, and we certainly are not confidants of the NDP governments in those provinces. We certainly do not know what their intentions are in terms of harmonization, but if their protests are any indication, I have a feeling that is the way these governments are going to go in the not too distant future. They are afraid this particular legislation might have some clause that will facilitate it.

I am not going to carry on much longer because I do not want to hold up the debate on this bill. I would like to see that the people, who are really the beneficiaries of the moneys being transferred, are able to collect those moneys as quickly as possible. There is a lot of poverty and hardship out there.

The Acting Speaker (Mr. Fee): The hon. member for Timiskaming.

Mr. Rodriguez: Well he was not in his place when I stood up. A point of order, Mr. Speaker.

I do not want to criticize the Chair, but I think when you recognize people they ought to be in their place, okay?

Mr. MacDougall: Mr. Speaker, I have no problem at all recognizing the member for Nickel Belt. In fact, it will give me more ammunition in my speech.

The Acting Speaker (Mr. Fee): In that case, I will recognize the hon. member for Nickel Belt.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, he will need all the ammunition in the next election to win Timiskaming, I believe that.

I want to speak in support of the amendments brought in by the member for Essex—Windsor. I think he has recognized the problem of harmonization, which is what the federal government has been after the provinces to do with respect to the GST.

I understood when this government took office it was going to be a new era in the relationships between the federal and provincial governments. There was no longer going to be a confrontational approach, which was the

Trudeau approach. Trudeau had a running battle with the provincial governments all of the time he was Prime Minister. When this government took office there was going to be a new era of co-operative federalism. That was the key to the relationships between the federal and provincial governments. Things would be smoother. They would work more in harmony and co-operation. Then the government decided to bring in the GST.

The minister who spoke before me said people were absolutely opposed to any new taxes. We in this party opposed a previous bill, Bill C-22, which was to bring in a payroll tax on employers to pay for a wage protection fund in the bankruptcy act. This government brought it in and we have been fighting over it ever since.

We agree there is only one taxpayer and he is at his limit. Why is the government pushing harmonization, which is going to cost taxpayers more money? Why has this government denied the Government of Ontario anywhere from $300 million to $400 million a year in provincial revenues by not collecting the provincial sales tax from all those who shop across the border in Ontario? Why has it been using that as a blackmail tactic to get the Ontario government to harmonize?

I have spoken to a lot of constituents who shop in Ontario and do not think it is fair the federal government refuses to collect the provincial sales tax at the border when it has all the mechanisms at the border to do it.

Residents of Ontario come back across the border at Niagara Falls or Fort Erie and declare goods at the border. The federal government collects the federal sales tax and any duty on the goods, but not the provincial sales tax. Is this the sense of co-operation?

The NDP Ontario government opposed the GST in its campaign. We on this side opposed the GST federally. Provincial New Democrats opposed it in the election and became the government. Since then this government has been blackmailing them to integrate the GST into the sales tax program.

The government talks about fairness, so let us talk about fairness. The retailers are collecting the GST right now and they are not paid anything to be federal tax collectors. They received an amount of money to help them initiate the GST and pay for a new cash register or whatever other paraphernalia they needed. But the government does not pay the retailer to do all that book work to collect the GST for it. That is not fair.

The government is now attempting to muscle the Ontario government and all the other provincial governments into harmonizing the GST with their provincial sales taxes. Can you imagine, right now in the province of Ontario, we do not pay a provincial sales tax on haircuts.

I want the government to know, this is what happens when you have the Tories on the run. This is their attempt to shut up the opposition on this very important issue. I want the people watching to know that the Tories have turned up the heat and now we have the fire brigade outside. Tories, I know you would sink to a lot of things, but I never thought you would get this low.

The Acting Speaker (Mr. Fee): The hon. member on a point of order.

• (1320)

Mr. Angus: Mr. Speaker, I think it would be appropriate if the House were to suspend to the call of the Chair.

SUSPENSION OF SITTING

The Acting Speaker (Mr. Fee): In view of the alarm it is a good idea. To the hon. member for Nickel Belt, I have noted your time on the clock and we will reconvene when the alarm stops.

This House stands suspended until the alarm stops.

The sitting of the House was suspended at 1.25 p.m.

SITTING RESUMED

The House resumed at 1.37 p.m.

The Acting Speaker (Mr. DeBlois): The hon. member for Nickel Belt has one minute left.

Mr. Langdon: Mr. Speaker, I rise on a point of order. It is very rare that we have this kind of disruption in the middle of a speech. I would ask you to be generous in your interpretation of the one-minute period that my colleague has left. He was making some very important points when the fire alarm interrupted him.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Of course I am aware that the Standing Orders do not provide for suspensions in situations like the one we were just in. I am told that it is the first time that the business of the House has been suspended because of the alarm bell ringing. That said, I give the floor to the hon. member for Nickel Belt for at least one minute.

[*English*]

Mr. Rodriguez: Mr. Speaker, as I was saying before I was so rudely interrupted by the Tories putting the place on fire, the fact of the matter is that the minister who spoke before me was perfectly correct in his sense that Canadians do not want any more taxes. They want no further increase in taxes. In fact they want a lowering of taxes. I want to suggest to him that the attempts to force the governments of this country to harmonize with the GST would increase taxes to them.

• (1340)

For example, by harmonizing the GST with the provincial sales tax in the province of Saskatchewan, it is estimated that it would cost the people of Saskatchewan $300 million a year more. Imagine what it would cost the people of Ontario if the GST were harmonized with the provincial sales tax. I would hazard a guess that it would be in the vicinity of $1 billion. It will not lower the rate. It extends the tax to things that are not now taxed. It seems to me that is not fair to the people of Ontario.

We do not pay a provincial sales tax on haircuts. I know the minister does not have that problem, but we do not pay provincial sales tax on haircuts. If we were to harmonize the provincial sales tax with the GST, it would be extended to all those things that this horrendous, terrible GST is now applied to.

If the minister really wants to show a spirit of co-operation and keep the taxes down for the people of Ontario, why not collect the provincial sales tax at the border on those Ontarians who shop in the United States?

Mr. McDermid: On all items?

Mr. Rodriguez: On the items they would pay that tax on in Ontario, absolutely. It seems to me that is fairness. It would bring the tax down for the rest of the people in Ontario if those people were to pay their fair share of the taxes.

Mr. McDermid: Ontario merchants do not want that.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, earlier I allowed the hon. member for Nickel Belt to give us his wisdom and his thoughts. I was hoping for something different from the member for Nickel Belt and the NDP, but it was the same old broken record and when you listen to a broken record long enough you want to throw it out.

I just want to make a comment before getting into debate. I know the audience out there had the opportunity to listen to the member for Port Moody—Coquitlam. It is no wonder the Canadian public is at the point where it does not want to listen, watch or see public officials on an ongoing basis and the type of charade that took place in this House earlier.

I want to apologize on behalf of this government. We certainly do not believe in those types of tactics. We are trying to do our utmost in this House to ensure that we bring some sanity back to the House.

Mr. Waddell: Mr. Speaker, I rise on a point of order. The member should withdraw his accusation of unparliamentary tactics. All I did was speak. That is what Parliament is about. All I did was represent people who are worried about what this government is doing. The member has no right to accuse me of unparliamentary tactics.

Mr. McDermid: That is no point of order.

Mr. Waddell: It is a point of order.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I think that hon. members on both sides of the House have expressed their opinions on the point at issue. It is not necessary to go further.

We resume debate with the hon. member for Timiskaming.

[*English*]

Mr. MacDougall: Mr. Speaker, I listened to the concerns of those in the NDP with regard to Bill C-60 today. I listened over the last number of months to their

concerns about rural Canada, their concerns about small business, and their concerns about the industries in this country. I really find it hard to believe, after listening to their concerns in Question Period or in speeches in the House, that they want to make sure that Canadians are working and they want to make sure we have a stable country. They will not even deal with the basic, fundamental problems in this country in duplication.

It is one thing to look at job creation, but it is another thing to sit down and look at what the NDP want to try to continue to do, which makes no sense whatsoever to anybody in small business. If they have to make two reports to file with two separate governments, it makes no sense whatsoever. That is the message we are receiving from the Canadian public, the fact that they want simpler guidelines, simpler rules, simpler opportunities so they can do business in a very competitive world.

I get quite frustrated when I sit here and listen on a day to day basis that they want to do something to get people working. Yet when the government moves forward with proposed legislation that will give the opportunity for all Canadians, all types of business, for a blended type of taxation that will take away some of the difficulties with which they face, they say the government is not listening to the provinces.

Over the last 20 months our officials have been travelling the country meeting with provincial counterparts, trying to work out an agreement that is going to be successful for everyone. I think that is what we are supposed to be doing in this country today. We are not supposed to be sitting back and fighting one another. We have a big world out there and we have to address the competitiveness and the opportunities that are afforded us. What we are trying to do with this piece of legislation is ensure that happens, that for a small Ma and Pa type of operation in Timiskaming or any other part of Canada, where they have a hard enough time to keep eating, we take away duplication for them.

I do not think we are asking too much. We are asking that the provinces put their political thought off to one side for a period of time and look at what is going to be the best for our country. That is what we have been trying to do over the past 20 months.

Similarly we hear on an ongoing basis that we should not be capping, or we should not be limiting the transfer of payments. The people I talk to are tired of seeing blank cheques handed out. They do not want to see blank cheques. They want to see government accountable for every dollar because there is only one taxpayer out there.

Someone living in my community says to me: "John, I have to pay provincial, federal, school board, and municipal tax". By the way, my constituents applauded the Minister of Finance on his last budget because he finally came out with a budget that is fair.

They are sitting back and saying right now: "What is going to happen in the province of Ontario in a matter of weeks?" We know there is a throne speech later on today. There will be pie in the sky. They will be turning around and blaming us, the federal government. But look back over the last seven years at the transfer payments we have sent to the province of Ontario. You start writing out cheques. My constituents believe there is sufficient money in the educational system, in the health care system, but what they do not want to see is the misuse of funds. We want to see accountability, that we are not just continuing to write out cheques.

It is the same thing when we are talking about taxation in regard to the GST. You would think from what we heard earlier there are no rebates at all for Canadians, that the government was only taxing more. On the weekend I was talking to an individual involved in trailer sales. He said: "John, it is the best thing that ever happened to my business. You know the parks that I have in place are worth $1.5 million. I do not have 13 per cent tax on that any longer and you would not believe what that has done to my cash flow".

At the same time we are taking the tax from 13 per cent down to 7 per cent. You would almost think that we are not giving rebates, if you listen to what has taken place in this House. That is the problem we are facing in this country. Canadians want to know the truth. Canadians want to know. They are not looking for pie in the sky. They are interested in a government that recognizes and tries to deal with the problem. That is what we have been doing in the last seven years.

You get all these ideas flying over top with all their airy-fairy types of opportunities. It is no wonder that people want to turn off their TV set and not listen to what is happening in this House.

What this government has been doing, and what this bill would do, is ensure that it is a blended opportunity for taxation, an opportunity for the next two years for stability. I think that is what Canadians are looking at. Canadians are not prepared to listen to any more of the hare-brained type of proposals and scare tactics that are being used on the other side. I am sure that at the end of the day Canadians are going to recognize, and are starting to recognize, that. In fact, in *The Toronto Star* yesterday there was an article stating that Canadians are prepared for a big increase in opportunities in this country. It is because of the basic policies that this government has put forward over the last seven years.

• (1350)

In closing, I hope that we have the opportunity to pass this piece of legislation later today. It is another step in ensuring that Canada will be strong for the future.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to have an opportunity to engage in this debate for a brief period.

The bill before us is Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act. One thing that this bill does is to pave the way for possible harmonization of the goods and services tax and provincial sales taxes between the federal government and the various provincial administrations across Canada.

The way that the federal government has been behaving over the past few years, and the past few months in particular, makes me think that we are almost engaged in running a protection racket. If the provinces refuse to buckle under, despite their own priorities and the wishes of their citizens, even the needs of their own people and the needs of their own treasuries, they are being forced, under threat of continuing cuts by the federal government to cost-sharing of different types between Ottawa and the provinces, to knuckle under and harmonize their tax regimes with the federal tax called the goods and services tax.

There is a pretty powerful incentive included in these threats, in this blackmail and in this protection racket. If they are to harmonize their provincial sales taxes and the goods and services tax for collection at the border, for instance, there are in some cases advantages to the tune of extra hundreds of millions of dollars which could flow into those provincial treasuries at a time when they are very hard-pressed.

We do not think it is very good politics or even very good economics to have federal-provincial financial relations determined by the kind of attitude that the federal government has displayed during this past period. Surely when we are facing real difficult economic situations across the country and, in some regions, particularly in the manufacturing areas of Canada, there is no doubt that we are facing some extremely hard times. What we should be asking is that the federal and provincial governments sit down in a rational sort of way, decide what the essential priorities are in a time of reduced revenues and work out, as well as we can on a co-operative basis, just what funds we have to raise and what the priority expenditures ought to be. To have it done by bluff and by bluster in a scenario of name-calling and increasing confrontation between Ottawa and the provinces is not what our taxpayers expect us to be doing. At a time when we have enough problems across the country, constitutionally or otherwise, we do not need any more division than we have got already.

What has happened to the finances of some of our so-called have provinces over the past period? I am a representative of a constituency in British Columbia. The British Columbia government faced some pretty severe choices in its recent budget. It did not help its situation by having Ottawa, over the last few months, renew its cut-backs of a few years ago to what all Canadians thought were long-standing agreements as to appropriate shares of revenue and financing between our different levels of government.

Why has the federal government felt the need to off-load its responsibilities to the provinces? One reason is the long-standing failure on the federal government's part to exercise prudent fiscal management. That has caused a serious debt problem.

We do not suggest the government sitting across the way bears all the responsibility for that. Its management record over the last few years has not been great. The problems it faces because of the lack of self-discipline of

the previous federal government certainly has not helped the situation.

The federal government now appears to want to avoid the visible and direct association with the severe measures it has implemented to restore its financial health. Off-loading delivers tax increases and service cuts to the public indirectly via the provinces. For obvious political reasons, the federal government is trying to direct this so the provincial governments will take the blame.

I referred initially to what seems to be the continuing threat within this legislation to push the provinces into harmonizing their provincial sales taxes with the federal goods and services tax.

An hon. member: A good idea.

Mr. Kristiansen: A good idea, the member opposite says. Does he really want to see a situation where, in order to get necessary revenues, provinces are forced to levy their provincial sales tax on all items, such as children's clothing and a number of other areas? The provinces in their wisdom have for years and years decided not to be subject to general revenue-creating mechanisms, in order to exclude people from paying taxes on goods and services which are essential for the basic maintenance of the family?

The goods and services tax has been a very blunt instrument. It has not reflected the kind of fine tuning of provincial sales taxes different provinces have developed over the years with regard for the needs and attitudes of their own populations.

We think it is fundamentally wrong for the federal government, by one means or another, and this means in particular, to attempt to force those provinces to alter their taxation base. That is not co-operative federalism. It is not co-operative financing. It is not co-operative fund raising. It is not co-operative government. It does not make sense and it is not fair.

Earlier, one of my colleagues made a point about the 37 cent cost of living increase to old age pensioners' cheques. While that may not be strictly relevant to the debate before us, I think it does demonstrate the kind of problem as seen by many of our electors and voters. In this country, pensioners who have paid their way for years and years get 37 cents a month as their pension increase. As my colleague mentioned, that does not even pay the tax on a cheap hamburger. This country has suffered from economic mismanagement for years and years.

I do not want to go on any longer. Soon we will move to Question Period. I hope the government rethinks its attitude to this legislation, stops blackmailing, stops managing a protection racket and gets down to serious co-operative discussions with the provinces as to what moneys are required and how it should be spent.

Mr. Speaker: It being two o'clock p.m., the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

NATIONAL HOCKEY LEAGUE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the National Hockey League players are wrong. According to Gilles Bourcier in today's *La Presse*, 62 per cent of the people in the Montreal area condemn the strike by the NHL players and 40 per cent of Montrealers are behind the team owners. They would rather believe the Canadiens' general manager, Serge Savard, who is from Abitibi. People do not appreciate being deprived of their favorite springtime entertainment, especially when the obstacle is a group of athletes who are considered to be very well paid.

I greatly appreciate the action taken by the management of the Montreal Canadiens hockey club in opening their books to the public, as I do with my expenses as a member of Parliament.

* * *

[*English*]

JUSTICE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, what has been going on over at the justice minister's office this last year? They certainly do not seem to have been doing their jobs. Since the March 1991 retirement of Judge MacPherson, Nova Scotia County Court District 6 has been without a judge.

The federal justice minister, who was responsible for appointing a replacement, has failed to do so. She has even refused to provide an explanation for her delay, just that it should not be too much longer. Her inaction has frustrated the local detachments of the RCMP and has created hardship for countless people who are served by this important court.

Last summer a sexual assault case was thrown out because the case had taken too long to come to trial. There was no judge to hear it. Victims of family break-up and violence suffer as decisions on custody and support payments are put off. Backlogs are growing each day.

Six weeks ago, the justice minister promised me that a replacement would be named shortly. We waited, yet heard nothing. Two weeks ago, she promised there would be a judge by the end of March. Still nothing. Why does she not do her job and name a replacement now?

* * *

VIMY RIDGE

Mr. Doug Fee (Red Deer): Mr. Speaker, 75 years ago this week, Canadian forces won one of the most significant victories of World War I when they took Vimy Ridge.

At first light, on April 9, 1917, four Canadian divisions attacked. British Columbians were side by side with Calgarians. The Van Doos of Quebec stood shoulder to shoulder with the Highlanders of Nova Scotia. The British had not been able to take Vimy Ridge, neither had the French, but the Canadians did.

The victory was not without cost, 3,000 men died. The casualty list exceeded 10,000. Three of the four Victoria Crosses won at Vimy were awarded posthumously.

The Canadian war record, crowned by the achievement at Vimy, won for Canada a separate signature on the peace treaty ending World War I. It has been said that Canada became a nation at Vimy Ridge and at a time when we are thinking about what being Canadian means, Vimy stands as a grim and glorious reminder of those who brought us together by giving everything for our country. We will remember them.

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ROTARY CLUB OF ST. JOHN'S, NFLD.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I rise today to congratulate the Rotary Club of St. John's, Newfoundland for having raised $183,000 for a new shelter for battered women.

This fund raising effort clearly shows that men and communities want to be part of the solution to eliminate violence against women. For more than 20 years, small groups of women have been working alone, setting up shelters, providing the counselling and services, raising funds, lobbying governments, educating the public on violence against women. Many women are burned out from having spent a lifetime of putting the needs of others before their own.

I am pleased that these women no longer need to continue the struggle alone. Unless we all join together the way St. John's has, violence will always be a part of our lives.

* * *

NATIONAL WILDLIFE WEEK

Mr. Brian O'Kurley (Elk Island): Mr. Speaker, on the occasion of National Wildlife Week, I would like to invite members of this House to join the Minister of State for the Environment and others for a nature tour around Parliament Hill tomorrow. Two biologists from Environment Canada will be our hosts for this 20-minute walk to discover the wildlife and habitat surrounding our home away from home.

After the walk, hon. members are invited to add a personal wildlife touch to a nature painting that will be set up in the rotunda. Members will also be able to view displays and publications from several wildlife organizations and government agencies in the Hall of Honour. The walk will begin at 10.30 a.m. leaving from the west doors of the Centre Block.

As the minister said in this House last week, National Wildlife Week was created to increase Canadians awareness of wildlife issues. We too can better appreciate

these concerns by discovering the environment at our doorstep. Come and take part.

* * *

[*Translation*]

SOCIAL HOUSING

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, the government's decision to reduce its financial contribution to social housing is incomprehensible in the present context. There is a long waiting list for such housing not only in Quebec but in all the provinces of Canada.

The success of the Co-operative Housing Program in particular is an obvious reason to maintain funding for housing in Canada. An Ottawa Valley organization called "Logemen'occupe" clearly showed the confusion that exists in the department responsible for social housing. All organizations concerned with housing for the less fortunate in our society express their strong disagreement and disappointment and ask the government to reinstate the Federal Co-operative Housing Program immediately and to reallocate the $6.1 million that had been provided for it in 1992-93.

* * *

[*English*]

KURT BROWNING

Mr. Garth Turner (Halton—Peel): Mr. Speaker, Olympian skater Kurt Browning made a lot of Canadian chests swell with pride last night during a performance he gave at the exhibition gala of the World Figure Skating Championships in Oakland, California.

Not content just to win a silver medal at that championship, Kurt last night performed a spectacular interpretive dance on what it means to be a Canadian. To the strains of the new symphonic version of *O Canada*, Browning's performance had every Canadian in the arena on their feet and cheering.

Starting this Thursday in Vancouver, Kurt Browning will skate his way across Canada in the *Stars On Ice* show, arriving in Halifax at the end of the month. At the conclusion of each show he will again skate and dance to this version of the national anthem.

Thanks, Kurt, for reminding us again of all the things that are right about this country. We are proud of you, we are proud of Canada.

S. O. 31

BOSNIA-HERCEGOVINA

Mrs. Christine Stewart (Northumberland): Mr. Speaker, it is with sadness and concern that we read about the worst fighting in central Bosnia since the Second World War. At least 100 people have been reported killed in battles of inter-ethnic warfare. Authorities are unable to halt these violent events which are leading to an all-out war between pro-independent Croats and Muslims on the one side, and Serbs and the army on the other.

This violence has erupted on the eve of a meeting by European Community foreign ministers who may recognize Bosnia-Hercegovina as an independent state. Serbians have claimed that such recognition would lead to further violence.

Eight hundred and fifty Canadian troops stationed in Germany are scheduled to begin leaving for Yugoslavia to join the peacekeeping force and a contingent of 270 Canadian engineers are already on site. I am concerned that the renewed fighting is putting at risk the lives of peacekeepers and Canadians would like reassurances that the 850 troops will be in a relatively secure position.

I recognize the important role of peacekeepers and I hope that peacekeeping forces are able to stabilize the situation. With the deteriorating situation, UN peacekeeping operations are being tested in the extreme but must be maintained with their safety protected.

* * *

TRANSFER PAYMENTS

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I want to place on the record some figures in point form on federal transfer payments to the province of New Brunswick.

1. They are expected to total almost $2 billion this year.

2. They will account for about 39 per cent of New Brunswick's revenues.

3. They have grown at an annual average rate of 5.7 per cent since 1984-85.

4. They will total over $2,100 per capita this year, 70 per cent higher than the national average.

The bottom line is this. This dollar amount has increased, it has not decreased.

* * *

CORPORATE TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, last week Gordon Gray, the chairman of Royal LePage, stated that Canada should end the universality of its social programs or risk national bankruptcy. Royal LePage is connected to Brascan, which is connected to Trizec, which is connected to Royal Trust, et cetera, et cetera, et cetera.

He did not call for an end to the perks that entitle Royal Trust's senior managers to borrow money at favourable interest rates and to buy company stocks at a discount. He did not call for an end to tax shell games that allowed Brascan to declare 1989 pre-tax profits of $442 million and only paid .07 per cent taxes, or Trizec that had $202 million taxed at .8 per cent. Both are former winners of the corporate welfare bum of the week.

He did not call for an end to capital gains exemption, tax deductible cocktails and other super deluxe multibillion dollar corporate goodies that have privileged a few at the expense of the many. I agree with Mr. Gray when he said: "Once you know the facts even a fool can understand".

* * *

• (1410)

CANADIAN FORCES BASE CHILLIWACK

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, Canadian Forces Base Chilliwack celebrates its 50th anniversary this week.

Established at Vedder Crossing in 1942 as a military engineering training centre, Sardis Camp grew to become what is now CFB Chilliwack.

CFB Chilliwack provides virtually all basic officer training in Canada.

CFB Chilliwack is also home to the First Canadian Engineer Regiment or 1 CER. UN peacekeeping efforts in the Persian Gulf were greatly assisted by the engineers of 1 CER. Their operations have now been consolidated with construction of a $10.5 million facility to be officially opened on Friday by the Associate Minister of National Defence.

I welcome the attendance of His Excellency, The Governor General who will join us in celebration this coming Saturday.

CFB Chilliwack has been part of our community for 50 years. It is part of the family and we are proud to recognize the important role it plays.

I trust this celebration puts to rest last year's rumours of closure. Congratulations, CFB Chilliwack. You do us proud.

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FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, our understandable preoccupation with the foreign overfishing issue is overshadowing some of the other disasters of the Minister of Fisheries and Oceans.

For example, his catch failure program has to be seen and is a major disappointment for all who were looking to it. Last fall, the minister asked fishermen and plant workers on the southwest coast to wait until the winter fishery was over. I have some news for him. They waited. The winter fishery was as dismal as we told him it was going to be. Ask the people in Isle aux Morts, Rose Blanche and Burnt Islands.

They are the reason why the minister has to take a fresh look at his catch failure program. I ask him to do it without further delay to ensure that those fishermen and those plant workers and others who need that assistance will get the assistance that they need.

* * *

4-H CLUBS OF CANADA

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, as you know the wealth of a nation lies in its people. By the same token, the future of a nation lies in its young people.

For that reason, I am very happy to be able to be here today to pay tribute to one particular youth group which I think has made a tremendous contribution to Canada in the past and will continue to do so in the future.

I am thinking of 4–H clubs and 4–H delegates are here from all across Canada participating in a citizenship program. The theme of their week in Ottawa is unity.

On behalf of all members of Parliament, I would like to pledge that we will do our best to ensure that they, when they have an opportunity to participate as leaders in the future, will have the same united Canada to live in that we have today.

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[*Translation*]

SENIOR EXECUTIVE SALARIES AT PETRO–CANADA

Mr. Marcel Prud'homme (Saint–Denis): Mr. Speaker, last week, the government announced a 37 cent monthly increase in old age security benefits. The minister said in the House that in Canada, and that includes Montreal, as long as people have to fight to keep their jobs, as long as workers accept wage cuts to save their jobs and as long as children need assistance, he would maintain the same policy with respect to senior citizens.

Today, in *La Presse*, Michel Girard mentioned salaries totalling $2,038 million for five directors of Petro–Canada. In 1991, this company registered a loss of $598 million, and shareholders saw the value of their shares drop by 37 per cent. What do we see today? We see these senior executives, these so–called big bosses, being paid all kinds of money in the way of salaries, and on top of that, they get $85,000 to pay for membership in private or social clubs and pay the fees of their financial advisers, while they get other perks as well at rock–bottom rates.

The government should treat the heads of all institutions the same. If we parliamentarians are asked to make a sacrifice, let the corporate bosses do the same and set an example to the rest of the country!

* * *

[*English*]

PRINTING INDUSTRY

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, since the Canada–U.S. Free Trade Agreement went into effect, U.S. Customs has routinely been harassing Canadian printers when their products cross the border insisting that "made–in–Canada" be prominently displayed.

Yet, U.S. printed materials meet no such requirement when crossing into Canada. On March 30, the Minister for International Trade, in response to a question on this matter, said: "One thing we have to be conscious of here is that Customs requirements work both ways".

He went on to say: "There are a number of our printing companies that are endeavouring to get into the United States". The minister clearly has no understanding of this, Canada's fifth largest industry, that is being decimated by the free trade deal and that it is being harassed at the border.

At the very least, the minister must insist on equal application of labelling laws for all printed material crossing our border in both directions.

ORAL QUESTION PERIOD

[*English*]

POVERTY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Acting Prime Minister.

Seven and a half years of Tory policy have created the largest number of poor people in Canada's history. In metro Toronto, the welfare rolls have increased by 40 per cent in one year. In Edmonton, there is a 28 per cent increase; in Winnipeg, a 53 per cent increase. In Montreal, the welfare rolls have increased by 14 per cent and in Halifax by 15 per cent.

I ask the Acting Prime Minister: How can provinces and municipalities meet their obligations to the poor when the federal government continues to cut back on transfer payments?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member is wrong when she suggests that we are cutting back on transfer payments. Transfer payments are, in fact, increasing. As a matter of fact, transfer payments have grown from a figure of $25.6 billion in 1984–85 to $37 billion in the year just past and to $39 billion in the current fiscal year.

That is substantial growth and all transfer payments, particularly those in the area of equalization and the CAP payments, are increasing at a substantial amount, certainly much more than our over-all annual increase in program expenditures.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the truth is that 700,000 young Canadian children have to go to food banks to get something to eat. In one of the richest countries of the world, this is outrageous. In Montreal alone, 95,000 people are on welfare.

My question is directed to the minister. How can the provinces and municipalities be expected to meet their commitments to the poor, when the federal government keeps cutting the total amount of transfer payments to the provinces?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the same answer applies.

I would urge the hon. member to look at the facts. She will find that over all, the average annual rate of growth of transfer payments from 1984–85 to 1992–93 is growing at an average rate of 5.4 per cent. The growth rate from 1991–92 to 1992–93 is 5.1 per cent.

We recognize that this is not the kind of growth rate that you experience during the high inflation days. When you have inflation at 1.6 per cent or 1.7 per cent, an increase in transfer payments at the rate of 5 per cent or 5.5 per cent is very substantial.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, at Toronto City Hall today, they are opening a photo exhibit. It is called "Canada's Food Bank Kids". There are 700,000 of them, including many thousands in that very city who have to exist through food banks.

I want to ask the Acting Prime Minister: Given that his government's policies have forced provincial and local governments to cut back directly and indirectly on services to the poor, how is he meeting his obligation to the United Nations in that great declaration on children when his own federal government continues to take food out of the mouths of Canada's children?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, that is, indeed, an unfortunate conclusion because the growth in transfer payments to the province of Ontario has been 6.2 per cent over the period 1984–85 to 1992–93.

As a matter of fact, this year there will be something in the order of $10 billion transferred to the province of Ontario through transfer payments and tax points. When we have an annual increase rate of 6.2 per cent, when our over all program expenditures are being contained to 3.5 to 3.6 per cent, that is a very generous disposition of taxpayers' dollars. I wish the hon. member would look at that and, in difficult times when we are trying to deal with a deficit, treat it for what it is, a very generous contribution by the federal government.

• (1420)

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the Deputy Prime Minister.

The city of Edmonton is now home for four government members of Parliament and 60 food hamper programs.

On March 25 ANAWIM, an inner city agency, served 121 food hampers to help 199 people eat while waiting for their social assistance cheque to come in at the end of the month. This a typical day for this organization in the last week of each month.

Will the minister now admit to the House that the government's economic and social policies are wreaking havoc on his own province?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, of course every jurisdiction, whether it be federal, provincial or municipal, is going through some very severe cost pressures and cost drivers. We are trying to deal with that in a generous fashion while at the same time attempting to bring down the deficit and curtail the growth of the burden of debt which takes money out of the hands of the poorer people and the children of Canada.

I remind the hon. member that if we do not get at the fundamental problems of the deficit and the debt, there will be a lesser amount of money to be provided for children, the working poor and the poverty stricken in this country. What we are trying to do is manage in such a way that we can deal with the fundamentals in a balanced way while at the same time providing the framework and the environment for investment and job opportunities, not only the preservation of existing jobs but the creation of new jobs.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary for to the same minister.

The government's policies are causing harm across the prairies. Winnipeg at one time prided itself as being the gateway to the west. It is now, under this government's policies, turning into the gateway to hell. Just think, there were 27,000 people unemployed in Winnipeg as of the end of last month. There are three times that number receiving provincial and municipal assistance.

When is the government finally going to present Winnipegers with a plan to get these people back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think the hon. member would agree that the budget strikes a balance in trying to deal with the deficit while at the same time trying to help those sectors, particularly the manufacturing and processing sectors. The hon. member should know that in terms of agriculture, there is no government that has been more generous to the farmers of Canada, particularly those farmers in western Canada, to deal with the very serious difficulties caused by the trade war.

There are a number of positive measures in the budget which will improve the lot of many Canadians and, most important, will provide some hope and optimism for jobs. We have to get to the fundamentals. We are addressing those. We have low interest rates, low inflation, a positive investment climate. We have provided some assistance to the manufacturing and processing sectors which is a very intensive job-creating sector.

I think the hon. member will recognize that there is a mood of change out there, a mood that is becoming more optimistic and confident about the future.

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[*Translation*]

DIPLOMATIC CORPS SECURITY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Solicitor General and concerns the attack on the Iranian embassy in Ottawa yesterday.

Did the government receive advance warning of this attack? If not, why not?

[*English*]

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I want to express on behalf of the government and, I believe, all Canadians how annoyed we are at the attack. We regret the injuries to Ambassador Lavassani and other occupants of the embassy.

I can respond to my hon. friend that at the present time I am informed that our response was as prompt as possible under the circumstances and that arrests have taken place.

Hon. Audrey McLaughlin (Yukon): I have a supplementary question for the minister, Mr. Speaker.

Several hours in advance of the attack on the embassy here in Canada, there were attacks on embassies in the U.K., Norway, Sweden and Germany. Clearly we do have CSIS agents in the U.K. Why was CSIS not advised here in Canada that these attacks had taken place and therefore possibly have been able to act and to avert the situation as it did happen?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I appreciate my hon. friend's comments. As my hon. friend and the House can understand, there will be a full investigation as to the timing of these events, as to when they took place in the various locations around the world. Obviously that exact information will be known once the investigation is completed.

Hon. Audrey McLaughlin (Yukon): A supplementary for the minister, Mr. Speaker.

CSIS has a budget of $217 million and 2,000 employees. CSIS has been very active in filming PSAC demonstrations, harassing the Inuit over low-level flights and, in fact, during the gulf war in following innocent Iraqi and Iranian Canadians.

The minister says that there will be an investigation. Will he make the results of that investigation public and will he tell the Canadian people why this organization did not know this information, particularly when it was well known in Europe?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, my hon. friend, I am sure, made an allegation that she would want to think about before she repeated it, the allegation that CSIS is filming PSAC demonstrations and harassing native people. I have no knowledge of the fact that that is in any way true. If my hon. friend has any information, I would hope that she would make it available to me immediately and I will follow-up on it.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, my question for the same minister on the same subject.

The diplomatic community in Canada is seriously shaken following the vicious attack on the Iranian embassy here in Ottawa on Sunday. The Iranian ambassador and two of his staff were injured, files were removed from the building and 26 people were arrested in connection with this shocking incident.

The minister and his government know that Canada has an obligation to the international community to protect the personnel and property of foreign diplomats. Can the minister explain to this House how at least 30 people forcefully entered the Iranian embassy without being stopped by the police or security?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I have been following the media accounts of this as I am sure my hon. friend has. I think if he were to make himself aware of those accounts, there was considerable damage to several embassies around the world and similar situations.

I think if he were to compare the police response and the police action, in this case the RCMP and the city of Ottawa police, action was taken promptly, arrests were made and everything, as far as I am informed, was done as quickly as possible.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, a supplementary for the same minister.

The minister tells us what happened in other countries. What happens in other countries does not have to happen in Canada. We are a peaceful country and we can set an example. What happens in other countries does not have to happen here.

My supplementary concerns the next round of the Middle East peace talks on refugees to be held in Ottawa May 13 to 15. Can the minister stand up in this House and issue a guarantee to the international community that Canada, as a host country, is capable of providing adequate safety and security to the principal players in these critical talks?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I will give the international community the same guarantee we gave them when they were here for the G-7, the Commonwealth and the Olympics.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is for the Solicitor General.

Yesterday's attack on the Iranian embassy recalls the 1985 hostage-taking incident at the Turkish embassy in my riding which resulted in the death of a security guard and serious injuries to the Turkish ambassador. The government promised at that time an intensive review of security at all embassies.

• (1430)

I have 38 embassies in my riding. What measures has the government taken since the 1985 incident to reassure those working in these embassies and those living around these embassies that their security is indeed protected?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I appreciate my hon. friend's question. In or about that time the Government of Canada organized the special emergency response team under the jurisdiction of the RCMP and put that in place.

Fortunately since that time it has not been required to be called into action. I can advise my friend that the RCMP makes regular threat assessments and discussions are held with embassies from time to time.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, my question is also for the same minister.

The Government of Canada is responsible for the security and safety of foreign diplomats and dignitaries in Ottawa. Why then will the government not provide the necessary financial resources to the Ottawa police, the organization that is providing this service free of charge to the government?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, the RCMP has a security responsibility *vis-à-vis* foreign embassies. My hon. friend makes his point on behalf of the Ottawa city police. There may very well be correspondence to that effect, but in my meetings with Tom Flanagan and members of council from Ottawa from time to time that particular matter has never been raised with me.

If in fact someone wishes to raise it, I would be pleased to entertain the question.

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is also for the Solicitor General who very conveniently did not answer a question from my leader a few moments ago.

CSIS has agents in London. The attack in London took place at approximately 8 a.m. Ottawa time. The attack in Ottawa did not take place until around noon. That is four hours. It does not take four hours to make a trans-Atlantic phone call.

I want to know where our CSIS agent or agents were in London that morning and why they were asleep at the switch and did not get in touch with Ottawa in time.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I never answer a question without having the facts at my fingertips. That is an obvious question and it is a question that I have asked. I have asked it of my officials and I have asked to be provided with a full report as to what the chronology is.

I reject absolutely and categorically any suggestion that our people in London or anywhere else were asleep at the switch.

Mr. Derek Blackburn (Brant): Mr. Speaker, if the minister does not have his report ready, how can he reject anything at this time? How can he say they were not asleep at the switch when he admits he does not know the facts?

My supplementary question is simply this: Why is it that the government has not entered into a new regime of protocols, particularly with those sensitive embassies located in Ottawa where a normal person or a reasonable person might from time to time anticipate or expect acts of violence or vandalism or even worse, considering the hot spots in the world, namely Iraq and Iran, particularly the IRA, the Red Army brigades in Europe and so on?

Surely it is time that the government through the RCM Police entered into new protocols with our foreign visitors here in Ottawa and the diplomatic corps.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I always reject allegations that are not based on fact and I never discuss sensitive security arrangements on the floor of the House.

NORTH AMERICAN FREE TRADE AGREEMENT

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Deputy Prime Minister about the discussions now under way in Montreal on the proposed North American free trade agreement.

Gary Hufbauer and Jeffrey Schott of the Institute of International Economics in Washington have just completed and released a study. In it they find that such an agreement between now and 1995 would create a net gain of 600,000 jobs in Mexico, 130,000 jobs in the United States, but a net loss of 4,000 jobs in Canada.

I ask the Deputy Prime Minister: Why is his government pursuing discussions for such a one-sided and harmful deal when it comes to the interests of our Canadian workers?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I do not know about the study to which the hon. member refers, but his question shows an unbelievable short-sightedness in its premise.

First of all, the hon. member should know that Mexican tariffs against Canada are quite substantial, much more substantial across a wider range of goods than are tariffs right now against Mexico which are virtually, pretty well all gone. Therefore there is a great incentive for us to negotiate a new agreement with Mexico and the United States in the NAFTA context.

Our objectives in this negotiation are clear. Let me repeat them. We want to improve our access to the Mexican market. We want to give greater access to North American inputs to permit Canadians to compete better in the world markets. We also, by the way, want to be a preferred site for investment in North America. If there is going to be investment in North America, we want it to include Canada. There are other objectives, all of which make a NAFTA negotiation pose an important challenge for Canada and we think a very good opportunity as well.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplementary question for the minister who forgets that the current free trade deal with the United States has certainly not made Canada a preferred site for

investment for people who want to do business in the North American market.

He attacks a report prepared by a former senior trade official of the United States government, Gary Hufbauer. His report finds that if this North American free trade agreement is entered into our trade surplus with the United States would be reduced by $250 million a year each year between now and 1995.

Why is the government pursuing a deal which would have a negative effect on our trade with the United States, up till now our best customer?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I think I could ask the hon. member why, when he is constantly attacking the Americans, he suddenly turns around and quotes American researchers as if they are gospel. This particular report is based on Americans doing American research.

The hon. member makes the point that the free trade agreement has not set a good context for NAFTA. Does he know that we have gone from a deficit position in net investment with the U.S. to a very substantial surplus since the free trade agreement, plus our exports with the United States have also increased from a $13 billion surplus to a $17 billion surplus, plus we have a dispute settlement mechanism?

It has been a good deal for Canada, and I will always be proud to stand in this House and defend it.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, my question is directed to the Deputy Prime Minister.

A few weeks ago the Minister for International Trade indicated in the House that indeed the Employment Support Act could be of some help to the ailing softwood lumber industry.

Given that the free trade process could well take over a year to resolve the dispute and given that the industry needs help now, when will the minister announce on behalf of the government if indeed the Employment Support Act will be used or some other assistance plan for the softwood lumber industry?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, the act to which my hon. friend refers dates back to an era before we had a free trade deal and other labour adjustment policies and programs.

As well I should point out to my hon. friend that the industry has been quite successful in passing through to the American consumer the additional costs that are inherent with the countervail duty action and the preliminary findings in the United States. In fact lumber prices have doubled since a year ago, and they have increased between 35 and 40 per cent since the first of the year.

• (1440)

For the moment the sting is out of the system. Nevertheless we are concerned about it and we are hoping that the procedures we are engaged in in the United States fighting this action will be successful.

Mr. Bob Wood (Nipissing): Mr. Speaker, my question is also for the Minister of Forestry.

It has been revealed that the U.S. commerce department is using a member of the Coalition for Fair Lumber Imports to investigate the claims of our softwood industry. This is the same body that wants to impose duties of over 30 per cent on our exports. It seems that the tinpots and the low-level functionaries can sure make a lot of noise.

What is the minister going to do to ensure that our industry gets a fair and impartial hearing in Washington and is not victimized with biased feelings?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, we have invited the investigations of anybody because we have nothing to hide. We will have no difficulty at all proving to any objective observer from anywhere that our lumber industry and our wood products sector are not subsidized.

We intend to assert ourselves in that fashion not just with the commerce department in the current investigation, which has a couple of unfortunate preliminary findings, but also under GATT. Eventually the case will be appealed under chapter nineteen of the free trade agreement.

* * *

CAMP IPPERWASH

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, on April 16, 1942 the Department of National Defence expropriated land belonging to the Chippewas of Stoney Point, Ontario, under the War Measures Act. The government promised to give the land back when it was no longer needed for the efficient prosecution of the war.

Half a century has passed and the government has yet to keep its promise. The Minister of Indian Affairs has supported the claims of the Stoney Point people to have the land at Camp Ipperwash returned.

My question is for the Minister of National Defence. When can the people of Stoney Point expect an announcement that the government will return the land taken from them 50 years ago?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, the parliamentary committee considered the matter for several weeks. It has tabled its report. The government will respond within the usual timetable.

[*English*]

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, in September 1991 as part of its cost saving plans the government struck a committee on base closures. The report of that committee is expected shortly.

In a letter to the Minister of National Defence, the Minister of Indian Affairs said:

> Given your department's current proposal to reduce the number of military bases, I believe this is an appropriate time to finally settle the Camp Ipperwash matter.

Will the Minister of National Defence settle the Camp Ipperwash matter, or will the Stoney Point people have to proceed with the eviction notice they plan to give DND officials on April 16 of this year?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, the answer to this question will be included in the government's response.

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MINING DEVELOPMENT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. The mining community in Abitibi–Témiscamingue and I realized several months ago that the Government of Quebec would not sign the Canada–Quebec subsidiary agreement on mining development until the agreements on industrial development, forestry and tourism had been signed.

Is the Quebec government discussing the possibility with your department of signing a Canada–Quebec agreement on mining development as soon as possible, for the benefit of Chapais, Chibougamau, Abitibi–Témiscamingue, and Quebec in general?

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, prior to the question being asked by the hon. member there were other priorities that the province of Quebec had put forward as part of the Canada–Quebec regional development agreement. It has now put forward a position that it wants a new mineral development agreement for Quebec.

My colleague, the Minister of National Health and Welfare, is responsible for the amounts, that is the global amounts. As Minister of Energy, Mines and Resources, once those global amounts are agreed to between Canada and Quebec we would be very pleased to develop the details within that MDA and get it signed as soon as possible.

* * *

EXTERNAL AFFAIRS

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister for External Relations. The government will shortly be announcing a large multi-million dollar project supplying grain storage facilities to Egypt.

Has the minister personally reviewed that contract to ensure that all the facilities, production and supplies will be manufactured by Canadian companies?

[*Translation*]

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I am afraid that so far I have not looked at the details of the particular project mentioned by the hon. member. He is probably aware that generally speaking, tied aid is subject to certain restrictions or commitments. I am not familiar with the details of this particular project, but I intend to make

enquiries and get back to the hon. member as soon as possible.

[*English*]

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to say to the minister that when she reviews that project it would be important to take a look at the requirement for Canadian content.

It is my understanding that a substantial part of the project will be contracted to a Nebraska steel company to supply the storage and grain facilities.

I want to ask the minister: At a time when our own steel industry is being harassed by American manufacturers, when there is a severe recession going on, when jobs are lost, why are we spending Canadian taxpayers' money on American products instead of providing jobs for Canadians?

[*Translation*]

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Norther Development)): Mr. Speaker, I can inform the hon. member, and he may be aware of the fact, that generally speaking, aid is tied to the use of Canadian goods in a ratio of 50 per cent in the case of goods provided to countries in sub-Saharan countries, while the ratio is 66 per cent for other countries.

The purpose of this policy is to ensure that our expertise and skills are transferred to Third World countries and that eventually, these countries will be able to take charge of their own development.

As for the specific case referred to by the hon. member, I will make enquiries and get back to him.

* * *

[*English*]

THE ENVIRONMENT

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of the Environment.

Following the Supreme Court of Canada decision in the case of the Oldman River, the minister was asked to stop the dam from being filled until the environmental review panel had completed its report.

The minister stated at that time that he did not know what to do. In fact, he said that he needed more time to render his decision. The minister has now had two months. The world was created in six days. Will the minister now issue his stop order?

Hon. Jean J. Charest (Minister of the Environment): I am happy to have been informed of Liberal Party policy on how to create the world in only six days. It is something we look forward to.

The Oldman decision is a landmark decision in the areas of the environment and the Constitution that relates to the federal government's guideline orders and the application of its environmental assessment process.

Our officials have examined and in fact still continue to examine the impact of the decision. We stay in close relation with the other jurisdictions involved. As soon as we make a determination on a specific course of action, I will be happy to inform my colleague.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, an awful lot of Canadians spent an enormous amount of time, heartache and money fighting this case all the way to the Supreme Court of Canada where they won.

To not issue a stop order now before irreparable damage is done, before the spring run-off starts, will be construed as a wilful disregard by this government of the laws of the land.

What does the minister's continued dithering say to the credibility of the environmental review process in this country? Indeed, what does it say to this government's commitment to the law of the land?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, my friend is making some assumptions about what the law does or does not say that we are not making on this side of the House of Commons. That is what we have to be clear on before we act.

This is not the first time that we have been faced with a difficult situation in this area. There have been other major projects that have been the object of scrutiny by the courts. I have had the opportunity to say before to my colleague that from time to time we must take whatever energy and time is required to examine these situations carefully before we act.

• (1450)

Mr. Jim Fulton (Skeena): Mr. Speaker, just a very easy question for the Minister of the Environment.

Does he not agree that the dam should not be allowed to fill while the panel is sitting?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, my friend from Skeena typically asked in his preface an easy question, when he knows very well that in the area of the environment when dealing with very difficult issues there are no easy answers.

As far as this issue is concerned he will also know that we must first determine what our legal basis is to act before we go forth, especially may I add, when we are dealing with other jurisdictions. We must be careful in the way we undertake our duties in these areas to delimit areas of responsibilities. That is the spirit in which we are examining this issue.

* * *

TAXATION

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Deputy Prime Minister and Minister of Finance.

For a long time now we have been advised that the federal government has been negotiating with the provinces for harmonization of the goods and services tax with provincial sales taxes.

Last week the New Brunswick Minister of Finance announced in the budget that there would not be harmonization of the New Brunswick provincial tax with the goods and services tax. In fact, he announced that agreements would be struck with the federal government for federal customs officers to collect the provincial sales tax on alcohol and tobacco at the border.

What is the special nature of the agreement to be reached with New Brunswick? Does this indicate the end of federal efforts to seek harmonization of the GST program with provincial sales taxes?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, no it does not mean an end to our desire to work with all provinces in seeking harmonization of the GST.

It is ultimately in the best interests of all provinces, both from the standpoint of improving the competitive position of their manufacturing and processing sector and in terms of administration and the removal of duplication and overlap.

I am disappointed that after a series of lengthy discussions with the province of New Brunswick that it saw fit not to make a decision to move toward harmonization. I would not interpret that as an outright rejection. Discussions will be going on.

We are continuing to work with the provinces to collect provincial sales taxes, offering to do that at the border and also with respect to the collection of the alcohol and tobacco tax.

We will continue to work with all provinces to endeavour to provide a harmonized system that will be easier to administer and more efficient not only for individual Canadians but also for the economy as a whole.

* * *

TRADE

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, the national trade ministers are meeting in Montreal today in negotiation of the North American free trade agreement, about which Ambassador Ney of the United States says a deal must be done by the end of this month because of the U.S. elections.

Meanwhile, *The Financial Times* among others says that a deal done in 1992 would be a bad deal for Canada, that Canada would take a major beating.

I ask the Deputy Prime Minister: Does the government agree with Ambassador Ney? Is Canada going to have a rushed, half-baked deal with no elections because the Americans are going to have elections?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I can assure my hon. friend that we are not going to rush any deal. We are going to negotiate the best possible arrangement for Canada.

We are going to improve our access to the U.S. markets still further and to Mexican markets still further, to be a preferred site for investment and to add in our trade with Mexico, a dispute settlement mechanism.

All of those objectives are what we will achieve in these negotiations and we will not rush doing it.

Mr. Howard McCurdy (Windsor—St. Clair): Last week the finance minister said that concern about the North American free trade agreement was overblown because Mexican trade consisted of about only 1 per cent of Canadian trade.

I want to ask the minister this: Do not the proposed provisions on automobiles, transportation, telecommunications, textiles, agriculture, services, investment, intellectual property rights, energy, of the proposed supersedence of the North American free trade agreement over the current free trade agreement suggest a good deal more than 1 per cent of Canadian trade over all?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, my hon. friend's question is full of surmises, none of which has any basis in fact.

He should know that we are there to negotiate the best possible arrangement for all of those industries in a context that will allow us to compete more effectively, both in the United States and Mexico.

* * *

CYPRUS

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, there are press reports citing a spokesperson for external affairs stating their opinion that Canadian peacekeeping troops in Cyprus should be removed since "there doesn't seem to be much progress nor effort at times being spent by the parties concerned to come to a resolution".

I ask the Deputy Prime Minister: What facts does he base this assertion of lack of effort on? In light of previous assurances that the government was not planning to remove the troops from Cyprus, I would like to know what has changed.

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, I can assure my hon. colleague that there has been no decision to withdraw our troops from Cyprus.

Obviously though we are concerned that after some 27 years we are continuing to provide a substantial number of troops. We feel, as the Secretary of State for External Affairs has expressed, that we would hope peacekeeping would be the kind of mission where we could go in and maintain peace, as opposed to peacemaking.

Obviously we are making every effort to try to find ways to ensure that in the situation in Cyprus there can be active dialogue to work toward peacemaking and that it will not be necessary to maintain peacekeepers indefinitely in that situation.

Mr. Jim Karygiannis (Scarborough—Agincourt): It looks like this government is taking the scissors to everything, even peacekeeping.

I would like to ask the minister what assurances, if any, has the government received from the Turkish government that if all the peacekeeping forces are removed from Cyprus that hostilities will not resurface?

Hon. Mary Collins (Associate Minister of National Defence and Minister Responsible for Status of Women): Mr. Speaker, that is obviously the problem. We do not want to withdraw peacekeepers and then have hostilities resume. That is not the purpose.

Mr. Karygiannis: Have you been there?

Mrs. Collins: I have been there, indeed I have.

We are trying to work with both sides and ensure that through the United Nations every effort is made to try to bring about a peaceful solution to the situation in Cyprus so that we and other nations eventually can withdraw our peacekeepers.

* * *

UNEMPLOYMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Minister of Finance.

The Minister of Finance cannot deny the anguish and the hardship that unemployment insurance exhaustees and those Canadians who have to resort to municipal and provincial welfare have to confront on a daily basis.

I would like to ask the Minister of Finance what specific programs does he have in mind to put in place now to assist the unemployed, to assist those who have to go on welfare, as well as to assist those thousands of Canadians who have to go to our food banks?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member already knows that the Government of Canada, in partnership with the private sector, that is, business and labour, and also in co-operation with every provincial government is trying to establish the labour force development strategy which is geared towards the unemployed.

When the hon. member refers to exhaustees, the government has programs under the Canadian Jobs Strategy where some of these people can be helped. But it is important for everyone, every stakeholder in the economy, to realize that there is no easy, magic solution out there and that we have to work together. This is what we are striving to do.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, Canadians are aware of the strategy of the Government of Canada.

But the minister must be aware that in Nova Scotia 78,000 people are on welfare; in Quebec over 500,000; and in Ontario 675,000 Canadians are on welfare. They don't want to hear from the minister about a strategy. They want to hear about the concrete action that the Government of Canada will take to assist those individuals.

So I ask the minister: What specific programs will he and his government put in place to assist those thousands of Canadians who want meaningful work?

Hon. Bernard Valcourt (Minister of Employment and Immigration): What we have to do is pursue the work that the Minister of Finance, the Prime Minister and the premiers started the last time they met.

• (1500)

The issue is activating those funds under welfare and under UI, trying to render these sums more relevant to the needs of people in terms of training and learning in Canada.

Following the last first ministers' meeting, there was agreement among the provinces and the federal government to keep working in that direction, which we will do.

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BURMA

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister of State for Finance and Privatization.

The State Law and Order Restoration Council, which is the illegal military junta currently ruling Burma, has now moved beyond the jailing of parliamentarians to the murder of entire villages of innocent citizens.

Last week, the Minister of Energy, Mines and Resources and the entire energy standing committee agreed that Petro-Canada should immediately suspend all activities in Burma.

Will the minister contact the board and executive of Petro-Canada, insisting that the company send a strong signal of protest and revulsion by suspending all activity in Burma and informing them that unless such action is taken quickly, the government will take the unusual but completely legal step of voting its remaining 80 per cent of the company's shares to compel such a suspension?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, Petro-Canada is a publicly owned company. It is managed by a board of directors. I would suggest that the hon. member make his representation to them.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, is the minister then saying that the government will do nothing, even to attempt to convince Petro-Canada to withdraw and stop supporting this bloody regime?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I have no indication that Petro-Canada is supporting that regime.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 11 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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COMMITTEES OF THE HOUSE

AGRICULTURE—FIRST REPORT OF STANDING COMMITTEE

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, I have the honour to present the first report of the Standing Committee on Agriculture in relation to Bill C-54, an act to amend the Farm Products Marketing Agencies Act and other acts in consequence thereof.

Routine Proceedings

HOUSE MANAGEMENT—30TH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I have the honour to present the 30th report of the Standing Committee on House Management as per Standing Order 104.

If the House gives its consent, I intend to move concurrence in this report later this day.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

COMPETITION ACT

MEASURE TO AMEND

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved for leave to introduce Bill C-68, an act to amend the Competition Act (multi-level marketing plans and pyramid selling).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Blais moves that the bill be read the first time and ordered to be printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and ordered to be printed.

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CRIMINAL CODE

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C-69, an act to amend the Criminal Code (air and maritime safety).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Ms. Campbell (Vancouver Centre) moves that the bill be read the first time and ordered to be printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and ordered to be printed.

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CRIMINAL CODE

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved for leave to introduce Bill C-70, an act to amend the Criminal Code (jury).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed to be adopted.

Ms. Campbell (Vancouver Centre) moves that the bill be read the first time and ordered to be printed.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 69(1), the motion is deemed to be adopted.

Bill read first time and ordered to be printed.

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[*English*]

HOUSE MANAGEMENT

CONCURRENCE IN 30TH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if the House gives its consent, I move that the 30th report of the Standing Committee on House Management, presented to the House earlier this day, be concurred in.

Motion agreed to.

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ABORIGINAL AFFAIRS

CONCURRENCE IN THIRD REPORT OF STANDING COMMITTEE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I move Motion No. 9 which stands in my name on the Order Paper to concur in the third report of the Standing Committee on Aboriginal Affairs presented to the House on Friday, March 13, 1992.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Mr. Dingwall: On a point of order, Mr. Speaker. I do not wish to delay the proceedings here nor the interventions of the hon. member, but perhaps the Chair could be somewhat helpful.

We were operating under a unanimous consent order of the House that we would be proceeding with the report stage of Bill C-31 as well as the report stage of Bill C-60. I believe later this day, at approximately 5.45 p.m., a vote is to be held if necessary. I am wondering if the Chair could inform the House as to this intervention here today, which is quite rightly within the rules, the hon. member has the opportunity to do that, whether or not in fact all questions will be put with regard to Bill C-31 as well as Bill C-60 at 5.45 p.m. and, if necessary, division would be held later this day on those two bills.

• (1510)

Could the Chair inform the House.

Mr. Skelly (Comox—Alberni): Point of order, Mr. Speaker. I think it should be understood that as part of the understanding between the Whips and House leaders to decide today's order of business, it was understood that rather than presenting this concurrence motion today, I would have presented a question to the minister and received a decent response rather than the arrogant shuffling off of a response that we received from the minister today.

The understanding of our party is the promise that was made to us by the government in this case was not kept and therefore the promise is off.

Mr. Cooper: Mr. Speaker, I just listened to that intervention with just a little bit of surprise and shock.

First of all, there was an understanding between the parties. That is very clear. It has gone beyond that of being simply an understanding. It is unanimous agreement of this House of Commons which created a House order under which we are operating today.

To have the hon. member now suddenly say that because he was not happy with the answer given to a particular question offered in this House of Commons he is now proceeding with this, I think he is perhaps being slightly inconsistent.

The point I want to make is this. We were operating under an understanding, an understanding that was so strong in fact that we agreed to a House order that said we would proceed with Bill C-31 and Bill C-60 today. Not only would we proceed with them, but at 5.45 p.m. this afternoon all the necessary questions to dispose of those bills would be put to this House and decided at that time. I would argue, Mr. Speaker, that you should perhaps look at that.

I can assure you that I have several motions for concurrence on this Order Paper that take precedence to the hon. member's motions which I would like to have moved as well, but because of the understanding of the House order did not proceed with them today. I would ask that that be reconsidered certainly in light of the remarks just made by the hon. member which are totally out to lunch.

Some hon. members: Oh, oh.

Mr. Dingwall: Mr. Speaker, I hate to disagree with my colleague, the parliamentary secretary to the government House leader. He has recounted with some clarity the understandings that the parties had with regard to proceeding today.

Neither the parliamentary secretary to the government House leader nor I can stand in this Chamber and rectify any differences which may result as a question from the hon. member which was put quite rightly. He does not like the answer which has been given. It is within his right as a member of this House to move the motion which he has clarified as Motion No. 9 and debate will proceed on the basis of that motion.

The question I have for the Chair is a clarification. Notwithstanding this particular motion, at the end of the day at 5.45 p.m. will report stage of Bill C-31 and report stage of Bill C-60 be concluded? Will the Chair indicate to the House, please.

Ms. Langan: On the same point of order. Mr. Speaker, I know that you are anxious to make a decision on this but I think it is important and the House leader for the government side did not point out that notice of the question that the hon. member for Comox—Alberni put forward was in fact given to the minister on Friday. To have a response that says he will look at the committee's report and answer some day down the road is certainly not much of a response after having received the courtesy of being put on notice on Friday that this question was coming.

In addition, if we come to the end of the business the government surely would have brought something else forward and it is quite appropriate for the hon. member for Comox—Alberni to bring this forward at this time. To suggest that this member is out to lunch after being ignored by the minister I think is highly inappropriate, Mr. Speaker.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The House has before it an order that specifies, whether there is a debate or not, that the vote must be held not later than 5.45 p.m, to dispose of the two bills at report stage, namely C–31 and C–60. Debate or not, members of this House will have to decide.

[*English*]

Mr. Cooper: Mr. Speaker, I am wondering if it would be in order for me to call concurrence on Motion No. 6 which has precedence over Motion No. 9.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I must remind the hon. parliamentary secretary that since the House has been presented with the motion of the hon. member for Comox—Alberni, it would have been better for the hon. parliamentary secretary to intervene before the hon. member for Comox—Alberni moved his motion. The House now has this motion before it and I must consider this fact.

Mr. Gauthier: On a point of order, Mr. Speaker. The difficulty facing us is quite simple. We have a unanimously adopted order of the House which says that Bill C–60, the bill being considered under Government Orders, is to be debated in this House, but at 5.45 p.m., the debate must end and the vote must be held.

The debate began this morning, as I recall—I was here—and was to continue. Now a member, who is probably not interested in Bill C–60, one must believe, presents a motion in the House which is acceptable under Routine Proceedings but will prevent us from considering Bill C–60. Unless the government decides to move a motion that we proceed to the Orders of the Day, this motion will probably take up the afternoon's debate, even if it is justified and the report is probably very much in order.

My difficulty is that some of us would have liked to debate Bill C–60. If I understood your decision correctly, the debate on C–60 will not take place unless the hon. member changes his mind or the government has the courage to propose that the House proceed to the consideration of Government Orders. If that is indeed what you said, Mr. Speaker, in that case, it will be hard for us to explain to our constituents, to Canadians, why Bill C–60, a very important bill, was not debated in this House this afternoon.

The Acting Speaker (Mr. DeBlois): I simply remind the House that the motion is to consider an amendment moved by a member of the New Democratic Party and that a member of the same party moved the motion under discussion. But that said, the Speaker is only the servant of the House and I have no choice but to apply the Standing Orders and to hear the hon. member for Comox—Alberni.

[*English*]

Mr. Skelly (Comox—Alberni): Mr. Speaker, I intend to be very brief but I want the House to know that this is an extremely important issue and that the honour of the Crown is at stake.

While I understand the need to debate the legislation that has been put on the Order Paper for later today, I was under the impression, our caucus was under the impression, our Whip was under the impression, that if I were to withdraw this motion, we would at least get a decent response from the minister instead of the kind of arrogant response that we got from that minister, the arrogant non–response.

That is why this motion appears today. It is important to members of this House because of what it means in terms of our relationship with aboriginal people.

Fifty years ago this month the Government of Canada seized land under the War Measures Act, land that was given to the Stoney Point Chippewa people as part of their reservation under a treaty dating back to the 1820s. That land was Chippewa land and was to remain Chippewa land forever.

The Department of National Defence wanted lands to set up a military camp in order to prosecute World War II. They had an opportunity to buy land in other areas of southern Ontario but they would have had to buy the land from non–aboriginal people, from white people and they rejected that. They wanted the land that was owned

by the aboriginal people, the Chippewas at Stoney Point. In fact, they were encouraged to acquire that land by George Down who was the Indian agent of the day. To quote Mr. Down: "Personally, I think this is a wonderful opportunity to gather a few straggling Indians and locate them permanently with the main body of the band."

• (1520)

It was characteristic of the way that Canadians and the Canadian government looked at aboriginal people at that time. They considered them "a few straggling Indians", to use the words of George Down.

The Department of National Defence went to the Indian people at Stoney Point and asked them if they wanted to sell their land. They replied no, they did not want to sell it, it was theirs based on a treaty signed back in the 1820s, a treaty that they felt bound them as well as the Government of Canada.

It was only after they refused to sell that the Canadian government seized that land under the War Measures Act and turned it into Canadian Forces Base Camp Ipperwash.

Part of the conditions in the Order in Council by which this land was seized was that after it was no longer needed for the efficient prosecution of the war, it would be returned to the Chippewa people from whom it was taken in the first place.

After the war, in spite of their promises, the Government of Canada and the Department of National Defence refused to return that land to the Chippewa people. They refused to keep their promises, refused to respect the honour of the Crown in the Crown's dealings with those Chippewa people.

As a result, 50 years later, that land is still in the hands of the Department of National Defence and it still refuses to keep its promises. The Minister of National Defence sits in this House in his arrogant way and says: "I am not even going to answer these questions until after 150 days when I have to deal with the report of the aboriginal affairs committee."

Mr. Waddell: He has chronic jet lag.

Mr. Skelly (Comox—Alberni): At least he is here. He was advised of the question and he should have answered it in a decent, frank, forward way because this is an issue that has been outstanding since 1942. It is coming up to its 50th anniversary.

The Order in Council under the War Measures Act was passed on April 14, 1942. It was executed on April 16, with those people at Stoney Point being dragged out of their homes, all of their furniture, all of their possessions taken from that land within two days after the Order in Council had passed and forced into another aboriginal community at Kettle Point.

They were related to the people in the community of Kettle Point, but there was not that much space available for housing. As a result, many of the people who lived at Stoney Point during those years around 1940 ended up leaving the reserve altogether and being forced to live in communities throughout southern Ontario. That community was completely broken up.

What was even more insulting was that many of the Chippewa people of Stoney Point actually joined the Canadian army and went to fight in World War II. They went to heroically fight in World War II under the Canadian flag.

They came back to their homes at Stoney Point after the war, in some cases decorated for bravery, after fighting for Canadians during the war. They came back and found that it was not the enemy that stole the land from them, it was not the enemy who threatened their homes. The people who threatened their homes was their own Canadian government.

In fact, the story is well known of one veteran of World War II who came back to his home at Stoney Point, found that he could not get in because it was a military base and was forced to sleep in a ditch outside his own land because he could not get inside the fence. It was now owned by the Canadian government, that same Canadian government that promised when the land was no longer needed for the efficient prosecution of the war, it would go back to the Stoney Point people.

Fifty years have passed. What is the term, what is the validity of a promise made by the Government of Canada to aboriginal people? When is the Government of Canada expected to keep its promise? The Minister of National Defence cannot even keep a promise over a weekend to give a decent answer to a question that is

being asked in this House on behalf of those aboriginal people.

If that reflects the kind of promises that are made by this government and by previous governments, who in this House will defend the honour of the Crown and the government's agreements with aboriginal people? Are we saying that this government has no honour?

We now have an opportunity, 50 years after the fact to go to the Stoney Point people on April 16, the 50th anniversary of when that land was seized, make amends and return the land or at least indicate that the land will be returned to them.

That camp has been open since 1945. It was used to train people who went to Korea and then when it was no longer needed for war purposes, it was used to train militia corps and cadet corps. Now it is very seldom used at all. In fact, the camp is closed for a good part of the year. In spite of that, the government still refuses to return that land to the Stoney Point people.

I do not know what it is about this government, but a promise seems to mean nothing to them. The honour of the Crown seems to mean nothing to them in terms of its relationship with the aboriginal people. All we have been asking for, all the Stoney Point people have been asking for over these many years, is that the government keep its promise and return the land that was seized from them under the War Measures Act.

It is not much to ask. All the minister had to say in the House today was that the Department of National Defence understands that a wrong has been done to the people of Stoney Point and that the wrong needs to be corrected, that the government is phasing down the number of bases it operates through the Department of National Defence gives them an opportunity to correct that ancient injustice that was done to the Stoney Point people. It is not much to ask, Mr. Speaker.

On April 16, the Stoney Point people plan to make a peaceful demonstration in front of the gates of Camp Ipperwash which is now the CFB camp located at Stoney Point. At that time, they are hoping to present to the people from the Department of National Defence an eviction notice, the same kind of notice they received so unceremoniously 50 years ago. They hope on that day the government will be prepared to right this wrong, to make amends for what they did and to make sure, through an announcement, that the land is going to be returned to its rightful aboriginal owners.

That is all they ask and that is why I am rising in the House today on this important issue, a week or two weeks before this event is to take place at the gates of Camp Ipperwash.

I call on this Parliament to support the report of the Standing Committee on Aboriginal Affairs calling on the government to return the land taken from the Stoney Point people back in 1942 to its aboriginal owners and their descendants who have been waiting for so long for justice to be done.

I hope that Parliament has heard these words. I indicated that I intended to be brief on this issue. This grievance has been outstanding for 50 years. I hope members will support this concurrence motion and get the Minister of National Defence off his duff so that he understands what the principles of justice are all about and that he makes an announcement today or at least within the next week or so to indicate to the people at Stoney Point that justice is going to be done; that the land seized from them 50 years ago is going to be returned and that the honour of the Crown will be restored.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I move:

That the House do now proceed to the Orders of the Day.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

GOVERNMENT ORDERS

• (1530)

[*English*]

FEDERAL–PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST–SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed consideration of Bill C–60, an act to amend the Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act, as reported (without amendment) from the Standing Committee on Finance; and Motions Nos. 1, 2 and 4 (p. 9352).

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): 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 (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the nays have it.

And more than five members having risen:

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion is differed.

The vote on Motion No. 1 will also apply to Motions Nos. 2 and 4 in the name of the hon. member for Essex–Windsor. We shall now proceed to the consideration of Motion No. 3.

[*English*]

Mr. Steven W. Langdon (Essex—Windsor) moved:

Motion No. 3

That Bill C–60 be amended in clause 5 by striking out line 36 at page 6 and substituting the following therefor:

"1993, and"

He said: Mr. Speaker, this is certainly the most important sets of amendments I would like to see this House adopt.

We heard from officials, as we reviewed this particular piece of legislation with respect to equalization payments, that this particular bill came out of a wide discussion of all transfer payments across the board, not just transfer payments with respect to equalization, but transfer payments with respect to the Established Program Financing system. It provides money for health and post–secondary education, and also transfer payments with respect to the Canada Assistance Program. Those transfers from the federal government cover the cost of various programs such as day care assistance and support for welfare recipients. They cover a range of different programs that help people with disabilities, who are in poverty and facing some of the problems created by the recession in this country.

This bill deals with one part of the transfer payment program: the equalization part. It does not deal with the other key parts: the transfers for health, the transfers for post–secondary education, and the transfers under the Canada Assistance Program.

What we are saying with this amendment is: Yes, let us let the equalization payments go through for the temporary two–year period which this bill establishes for them, but let us take the transfers that are equally crucial to provinces across the country and put the pressure on this government to see to it that it comes up with answers to improve these transfers. Let us see to it that these transfers actually get treated in a fair way for all provinces in this country.

We have suggested that this particular clause which deals with income tax revenue guarantees not be extended for the two years but simply be extended for one year so as to say very plainly to the government, on the part of Parliament, that there must be an answer to the transfer payment inequities in this country within the next year.

Let me tell the House why it is so important to do this. It is important for the sense of equity and fair play. The present piece of legislation dealing with equalization payments transfers an extra $422 million to seven provinces this year. We are not against that transfer. We think that it is an important transfer to take place, but let us be very clear about who receives this money.

Out of $422 million which this government is seeing it gets to provinces in addition to what they received before, 47 per cent or $198 million goes to a single province. Other provinces receive some support too. Quebec, as I say, receives $198 million; $60 million goes to Saskatchewan; $55 million to Manitoba; $39 million to New Brunswick; $35 million to Nova Scotia; $31 million to Newfoundland; and $5 million to Prince Edward Island.

We do not object to these new improved transfer payments. What we do object to is other provinces that are facing serious problems as a consequence of the economic difficulties associated with the recession in this country, those other provinces that need the money badly, are not being treated fairly by the federal government.

Let me speak for a few minutes about my own province of Ontario. I do not speak about Ontario because it is the only province that is being hurt. If we look at the whole transfer payment question, we see that all provinces have lost since the 1982–83 year $41 billion in money which they expected to receive from the federal government and which they have not received. If we take 1992–93, all provinces will lose a total of $9.3 billion as a result of the caps and freezes and controls which the federal government has unilaterally put on transfer payments.

• (1540)

Transfer payments have always been something which were agreed to in the past through federal–provincial conferences. Since 1982–83, under both the Liberals and the Conservatives, these agreements have been undercut. This year the result for all provinces is a total loss of $9.3 billion. In this coming year Ontario will lose $4.5 billion of that $9.3 billion. That is almost half of the total.

This has hit the Canada Assistance Program especially hard. The province of Ontario, because of changes in unemployment insurance and the recession, has seen massive increases in the number of the people on welfare. For instance, the city of metropolitan Toronto has seen an increase in the last year of 29 per cent in the number of people on welfare. We have gone from 98,000 cases to over 105,000 cases.

That means that the province of Ontario gets only 31 per cent of its costs under the Canada Assistance Program covered while every other province except British Columbia gets 50 per cent covered. British Columbia gets 37 or 38 per cent of its costs covered.

This is not right. It is not something that can continue. We move this amendment to impress on this government the urgency of doing something about the Canada Assistance Program and other transfer programs to make them fair to all provinces in Canada.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, I cannot help but concur with what my colleague for Essex—Windsor has just said. The devastation wreaked by successive Liberal and Conservative governments over the years on the concept of equality, justice and dignity in this country is something that has to be brought to the attention of the Canadian public again and again.

We have gone from 50/50 cost-sharing on the Canada Assistance Plan to where, for the provinces of Alberta, British Columbia and Ontario, the government has put a freeze on the transfer payments on the basis that they are have provinces and therefore do not require as much assistance from the federal government as the other provinces do. The Canada Assistance Plan was instituted to help people and for the federal government to make an assessment on the provincial governments on that basis is extreme and cannot be tolerated.

The fact of the matter is that the poor people, the less well off people of British Columbia have suffered a loss in 1991–1992 alone of $166 million and that by the year 1994–1995 the total will be $1 billion.

In 1992–1993 the estimated cost to the province of Alberta is $223 million. In Ontario in 1990–1991 the

estimated cost to that province was $415 million, and there is a staggering $1.2 billion decrease in federal transfer payments to the province of Ontario this year.

What is happening without a doubt is that the federal government is reneging on its responsibility to the people of Canada and particularly to the people in those three provinces.

We could ask ourselves why. We have answered one of the whys I think in that the government views these provinces as being wealthy and able to take care of those costs themselves.

The fact of the matter is if you are someone needing assistance it does not matter what province you live in and half the people needing assistance in this country, come from the province of Ontario.

With the financial situation having burgeoned as it has in Canada within the last year to year and a half, the province of Ontario has suffered great devastation as a result of the free trade deal, as has the rest of Canada. Along with the rest of Canada it has also suffered the devastation that comes with the changes to UI. Ontario has been particularly hard hit with the multiplying numbers of unemployed and it is my suspicion that where Ontario used to be a net contributor to the federal government it may turn out to be a have not province itself as a result of the changes to UI and the free trade agreement.

That 450,000 people have been lost, most of them in the province of Ontario, is something that weighs heavily on the kinds of programs which the Canada Assistance Plan was designed to help.

To reiterate and remind people what happens under Bill C-21, among other things it requires people to work for a longer period of time in order to qualify for UI benefits. Also they receive less benefits from UI in the event that they are laid off.

Those two things, multiplied together, have formed a devastating draw on the treasury of the province of Ontario.

I cannot help but point out that we have to bear in mind that the Canada Assistance Plan was set up to help people and for the Government of Canada to make an assessment on the Government of Ontario is demeaning in the most extreme sense of the word.

Something very similar happened with the extended programs financing which was set up originally to compensate the provinces for revenue lost to them as a result of tax reform.

Since the time when the changes were brought in we have had further changes by successive Liberal and Conservative governments to wear away and erode the amount of transfer payments to all the provinces which the federal government ought to be continuing. There were at least two broadside attacks by the Liberals after they brought in what originally appeared to be a generous program. Had it remained in effect it would have been. The problem I would suspect, considering the philosophy of the Liberals when they are in government which corresponds precisely with the philosophy of the Conservatives when they are in government, I might add, is that the—

• (1550)

An hon. member: How do you know that?

Mr. Fisher: How do I know that? I am very glad you asked that question. There are tonnes of statistics and evidence to prove that that is the case.

It was originally set up with a revenue guarantee to the provinces on these transfer payments under the extended program financing. In 1982—I do not remember who the finance minister was. Most likely it was MacEachen. Maybe it was even Turner—he changed the formula so that the revenue guarantees were no longer there.

Then we had those wonderful years of six and five. We all remember six and five and how it affected our pay cheques. I would certainly remind the Canadian public, those who have forgotten, and I suspect not too many ordinary Canadians have forgotten six and five, that it was the beginning of the end of any ability to keep up with inflation in this country. Our pay cheques have reflected this ever since, since exacerbated by successive Conservative programs and a tax on working people.

The education portion of the Established Programs Financing was cut under the six and five program. It is to its credit, although one wonders why, it did not cut the medicare portion of it as well, but in any event it did not. But the education portion of that was and as a result of that the research and development and the post-secondary education in the country have suffered enormously.

The Conservatives not being satisfied with the cuts the Liberals made to the Established Programs Financing, have taken three successive swipes at it. They changed the formula which tied the transfers to the growth in the GNP to GNP minus two and that was done in 1986. Not satisfied with that in 1990 the former Minister of Finance came along and changed that from GNP minus two to GNP minus three. Of course, just recently the govern-

ment has put a freeze on it so that there can be no increases at all to the Established Programs Financing.

What this amounts to is that we really do have as far as medicare is concerned an attack on standards. As this progresses in actual dollars and the cost of medicare being what it is will result in for all intents and purposes no meaningful amount of money being transferred to the provinces at which time the federal government will no longer be able to insist upon the maintenance of standards.

We are saying that the 50/50 funding ought to be restored and that the changes which have taken place ever since the program was put into effect have been devastating to the country. That applies as well, as I said, to the Canada Assistance Plan.

I would like to thank you, Mr. Speaker, for the time you have allotted me. I see my time has run out.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is always a pleasure to take part in a debate that has to do with transfers to the provinces. I want to put a couple of things on the record.

One of them is transfers to my home province of New Brunswick. I hear this in my riding quite often when I am back home. Just about every weekend, someone will comment on transfers to the provinces. I think it is important that I put it on the record that the province of New Brunswick is getting more, not less.

I think most of us in this House understand that, including some of the members opposite. They are getting more, not less. In fact, the province of New Brunswick will get in the order of $1.6 billion. Some calculations put it closer to $2 billion in direct transfers from the Government of Canada to the province of New Brunswick.

That is a significant figure when you are talking about a province as small as the province of New Brunswick. Two billion dollars is a lot of money. If you want to get technical and you want to measure it on that lower number of $1.6 billion, let us talk about that figure. Whether it is $1.6 billion or $2 billion, it is a fair amount of money in a province of only 720,000 people. What it comes down to at the end of the day is it amounts to 39 per cent of all the revenues coming into the province of New Brunswick.

What I am trying to paint is a picture that shows the people of Canada where the money is coming from. It is a transfer from other taxpayers in this country to a have not province, in my case the province of New Brunswick. Thirty-nine per cent of all the revenues come from other taxpayers.

To sort this out, this is the fascinating part of the whole equation. The whole equation is trying to sort this out in our own minds so that the people back home can appreciate it. When we are talking about moneys coming from Ottawa to New Brunswick, it is not money from heaven.

Somehow we fall into this idea that moneys are here in Ottawa and it is just a case of moving them out of here, putting them into those have not provinces, if you wish. It is not quite that simple. The money has to come from a taxpayer some place else. The difficulty that this government is finding itself in, and this country, is that there is no place else at the moment.

The economy of Ontario is in trouble. The economy of Alberta is a little better and the economy of B.C. is a little better as well. Those are the three major sources of tax dollars that were being transferred to those other provinces.

What we would like to do in Ottawa is increase, increase, increase, which we have done, especially to those have not provinces but our ability to increase at the rate that people would like to see it increase is limited. The money is not free. It comes from other taxpayers, and that is the point that I want to emphasize today. It comes from other taxpayers and other parts of the country.

When the member from Essex—Windsor speaks and uses some of the language that he uses, and statistics, he is quite careful in his choice of words. When he talks about the anticipated dollar amount being less than what was anticipated, he is using percentages that might have been. Might have been does not count. You have to deal with certain realities out there, especially when you are using taxpayers' money. The fact is if we are going to send more money to the provinces beyond what we tell them we are going to send them and what we have sent

them at this point, it has to be borrowed money. It has to be borrowed money that has to be paid back.

If it was money from heaven, we would not have to pay it back, would we? Unfortunately, that only exists in the minds of the NDP. It does not have to take responsibility for balancing the books or being accountable to the taxpayers of Canada. Its members just have to stand up on their hind legs and howl at the moon.

Howl they might, thank goodness the NDP is not the party in power. If it was, we would not be saddled with a $400 billion deficit in this country, we would be in a country that would have to be taken over by the IMF. Look at Ontario today, what it is doing there. Ontario is haemorrhaging because a socialist government cannot ring in expenses.

An hon. member: They are in better shape than you are.

• (1600)

Mr. Thompson: They can holler all they want on the other side of the House, Mr. Speaker, that particular party, because at the end of the day, nothing is going to change. They do not have to take responsibility for their words or their actions. They just have to talk about it and, as I say, get up on their hind legs and howl at the moon.

In the province of New Brunswick, particularly, I am supportive and encouraged with what this government has done for my home province; very encouraged. As I mentioned, that figure this year is going to be close to $2 billion transferred to the people of New Brunswick to help them with their programs. It accounts for about 39 per cent of their revenues. That little have not province of New Brunswick is receiving about 70 per cent above the national average when you measure how those transfers take place. That is very significant.

If you measure it on an individual basis, the figure is up in the $2,100 range per individual in the province of New Brunswick transferred government to government. That is not including other federal government programs that are transferred to the individual. If those were calculated into the equation, the number would be even greater, much greater, but we can save that argument for another day. Those types of programs we are talking about, of course, are UIC programs, again federal dollars, even support to our seniors. Those are not factored into those numbers at all. Those are simply numbers transferring dollars from government to government.

The argument that they use is a fallacious argument. It bears no regard to reality at all. It has no semblance of reality at all because they have never had to be in a position of governing this country. Let us face it, Canada is not an easy country to govern because we do have these regional disparities within the country. We have always had a system of government in this country, a federal government, that has always responded to the needs of the poorer provinces. This government has responded to the needs of the poorer provinces.

Again, let us look at the real numbers. Let us not project a number that means absolutely nothing. Let us not project what might have been. Let us take a look at what has actually happened. In these provinces, there has been an annual increase in the have not provinces. Again, I zero in on New Brunswick, a 5.7 per cent increase since 1984–85. Incidentally, that is the year we took office, 1984–85. There has been an increase of that much every single year.

The difficulty the province of New Brunswick is finding today is simply this. It has allowed health care costs to escalate over 80 per cent in the province of New Brunswick and its transfers have only increased to the tune of 52 per cent over that time frame.

What it has done is allowed expenses to gallop ahead of the transfers. Now it has got to find someone to point the finger at, but the truth is it should have dealt with that four or five years ago and did not. Now, when the hard numbers are coming home, it has to find another group of people to blame it on. That group of people are the people who make up the Government of Canada.

The fact is there have been increases on average of 5.7 per cent to my home province of New Brunswick and that is significant. Compare with what they have done on the expenditure side and that is where they have lost the battle in the province of New Brunswick.

I am pleased with what this government has done in regard to transfers. As our economy continues to move ahead and, as we work through the recession, you can be assured we are going to take a closer look at what we can do for these provinces in the coming years.

[*Translation*]

Mr. Ronald J. Duhamel (Saint-Boniface): Mr. Speaker, I am very pleased to speak on these amendments this afternoon.

It is surprising and somewhat intriguing that my colleagues on my left had so much to say about my party a moment ago and so little to say about the bill and its amendments. I get the feeling that the Liberal Party of Canada is much more of a threat than this bill, in spite of the fact that the latter is flawed. I found that interesting, especially since it is becoming a common occurrence. I will try to avoid putting down other parties and instead address the bill before us.

[*English*]

I found it interesting to talk about the record of this government. I think when you are in government that happens all the time the record of the previous government. I suspect that many people would say, and I do not do it tongue in cheek or unkindly, in terms of transfers to provinces that the Liberal record looks pretty good compared to the current record. It goes not without saying, but show me any political party, any political person, that is unblemished. I wonder if you would find them in the House of Commons. In fact, it might be very difficult to find them anywhere.

If you compare the Liberal record for transfer payments to provinces with the current government's, I think it looks pretty good. I think as well that you can compare the Liberal record with what has been happening in some of the provinces recently. Let us look at the NDP provinces; what is happening to health and education, hospitals being closed, people being laid off, fewer dollars being transferred for education.

I guess the lesson to be learned is that we have to be very careful about casting stones because, frankly, other people may get up and do the same to us. We would probably merit that when that happens.

My colleague has just indicated that provinces are getting more than they were. Yes, sometimes that is true, but we have to talk about what they are getting more of in this particular bill. Are they getting more tax points or more cash? If they are getting more cash, what are the circumstances under which they are getting it? Has it taken into account inflation? Has it taken into account, for example, the program needs? Has it taken into account student growth within those programs? Or, if we talk about health, has it taken into account the additional clients that they have for health services?

It is very easy to say that I now have more money; but if I have more people requiring more services of me that cost money, then an increase is not necessarily an increase.

When we talk about this we must not forget that we are talking about, if my memory serves me correctly and I do not mind being corrected, $39 billion; roughly $24 billion for Established Programs Financing, transfer funds for health and education. That is about a ratio of 211 for health to education. Again, if my memory serves me adequately today, it is about one-half tax points, the other cash. The other $8 billion is for equalization, to make sure that those provinces which are not as wealthy as others, relatively speaking, are in fact rewarded appropriately.

Finally, of course, there is the CAP, the Canada Assistance Plan, to assist the social programs. Some people will know that that CAP has been capped. In other words, the provinces of British Columbia, Ontario and Alberta are limited to 5 per cent growth. That has caused a lot of stress. You will recall that there has been a court challenge, and of course the animosity, the disagreement, and the discomfort continues.

One of the questions that we have to ask is this: There are a number of amendments here. There has been some reluctance on the part of the opposition parties to support this bill, which would appear to be fairly innocuous, which would appear to be primarily a technical bill, and I have been assured that that is so during committee. But we must ask the question: Why is the government running into these kinds of problems? I think, with all due respect, it is because of its record on virtually every major issue. It has often said the right things and it has often, I suspect, intended to do what was correct, but it has fallen short. Whether we look at the Constitution, the economic development of our country, or even the social programs in our society, we realize that the government probably meant well. But if we look at the result, it is obvious there is an enormous gap between what they wanted to do and what they have done. And that explains this attitude, this concern, this mistrust which is found just about everywhere. Therefore, when they come up with a bill such as this one, mainly described as a housekeeping bill with no political impact, people are wary, they are concerned, they are reluctant, they try to block it, they try to find out why it would be as straightforward as it seems to be.

[*English*]

When I say that the bill is fairly simple and deals primarily with technical things, I do not want to give the impression that it is not an important bill and that it will not lead to particularly important developments. We are not without knowing that one of the reasons, supposedly for the extension of two years, is because there will be a major review undertaken. There is a major review that is being undertaken. It is in the process of happening.

• (1610)

I suggested that review needs to be made public. The stakeholders need to be identified. We should also have a policy impact statement. The government should be telling all of us involved with the particular program, whether we talk about equalization, EPF or CAP, just what would happen from a tax point and a cash perspective, if the current trend of a reduction of transfers continues.

What are the options out there? What are the positives and negatives of the various options government could come forward with?

[*Translation*]

I have the distinct impression that very shortly it will be election time. I suppose we could call this pre-election time or season. Eventually, it will be the real thing.

We might also see some little games being played that might benefit the government and would not necessarily make things easier for the people who are concerned about this bill and the proposed amendments. This is an extremely important issue, and, as I said earlier, should be seen separate from the problems this government has had in many areas, including the Constitution, the economy and development of social programs. Clearly, there is a climate of suspicion. People seem to be watching and waiting for the other shoe to drop.

In concluding I would like to say that: I am willing to accept the testimony that was given in committee. I believe the people there were honourable. There are no hidden agendas. This is an extension of that. At the same time, I am disappointed with the process for the review of these programs. The key actors who will be involved in attempting to help government come up with a more sensitive and effective way of responding to the needs of equalization, health and education and the social assistance programs, will be reflected more accurately.

[*English*]

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would like to preface my remarks by commenting on the comments made by the Tory member for Carleton—Charlotte.

It is important when he talks about how well New Brunswick has done under this government's programs, what he thinks about the reduction in the ceiling that has been put on the equalization, on the projected revenues of those lower-income provinces including New Brunswick.

From 1988-89 to 1991-92, equalization ceilings reduced revenues of the lower income provinces by $3.1 billion. Does that sound like have not provinces doing better under this government's programs? Even somebody who is able to do basic mathematics can figure out there has been a slight of hand. I find it awfully difficult to understand how the reduction of $3.1 billion in the have not provinces can mean that those provinces are doing better. During that period, the disparity between the lower and higher income provinces widened. It actually led to a reduction from $8.1 billion to $7.9 billion in 1991 for those provinces.

I hope when the hon. member speaks again on matters such as this, he at least does his homework on behalf of his own province.

I would also like to respond to the comments just made by my liberal colleague from St. Boniface who pointed a finger at NDP governments. He said none of us should cast stones because somehow the NDP governments in Canada have not lived up to their commitments.

It would not be appropriate to allow this debate to pass without at least talking about my province of British Columbia. Much of what I have to say would also apply to the province of Ontario and what the NDP government is facing there.

It is important that we think about the kinds of things that were put forward by the B.C. government's Minister of Finance and Corporate Relations, Glen Clark, prior to introducing his budget in British Columbia. He had comments about the Established Programs Financing for health, post-secondary education, the Canada Assistance Plan and other programs.

Glen Clark's paper detailed the actions of the past Liberal and Conservative federal governments and the impact they have had on the British Columbia budget, which just came down a week and a half ago. It is shocking. The combined effect on British Columbia of the off-loading measures implemented since 1982 will be $1.1 billion in 1991-92. This is in a province that is now facing tremendous unemployment, particularly worsened by the recent softwood lumber tariff.

The $1.1 billion in 1991-92 is equivalent to 67 per cent of the estimated 1991-92 budget deficit of $1.7 billion in British Columbia. Yet when the B.C. Minister of Finance, Glen Clark, brought down his budget, he kept the faith of those less fortunate in the province and maintained payments for welfare, health and education in the province. They were still the priorities of the provincial government.

You can imagine it was very, very tough with those kinds of cuts. Others had to pay the price because this government off-loaded its responsibility onto the British Columbia government.

If the current off-loading continues to the first year of the new century, the negative fiscal impact on British Columbia from the fiscal years, 1991-92 to 2000-01, will be $32.7 billion. To be more specific, the impact of the Liberal and Tory changes to the Established Programs Financing funding formula will result in B.C. losing $6.8 billion by 1994-95.

The B.C. report of Mr. Clark notes that Canada Assistance Plan benefits are used to assist people, not governments. In 1991-92, $166 million will be lost to British Columbians due to the five per cent growth ceiling, and more than $1 billion by 1994-95.

The question has to be asked. Why does this government feel the need to off-load on the provinces? It seems to be a failure on the federal government's part to exercise prudent fiscal management, and it has caused a serious debt problem for this country.

The federal government wishes to avoid visible and direct association with the severe measures it has implemented to restore its financial health. It off-loads those problems on to the provinces. By off-loading, it delivers tax increases and service cuts to the public indirectly through the provinces. They throw up their hands and say: "But we're keeping faith with the people". I say this government is not keeping faith with the people. This government is dumping its problems into the backyards of every Canadian in this country.

Under the Canada Assistance Plan, the federal government is required to provide funds to the provinces and territories on a 50/50 cost shared basis for social assistance and social services. I might add, that includes child care. However, in 1990 and again in 1991, this Tory government unilaterally amended the Canada Assistance Plan Act by restricting increases in federal contributions to 5 per cent for the three have provinces of Alberta, Ontario and British Columbia. What would happen if you or I made an agreement with somebody to do something and then reneged half-way through the deal? Well, if we were dealing with our friendly bank, you can be assured we would not be happy. You and I would be in big trouble.

• (1620)

However, this federal government blithely and continuously reneges on a deal it has made with the provinces. It defies its own legislation, much less its own commitment. It withdraws its support and commitment by capping the Canada Assistance Plan and the EPF payments.

Then we have hon. members like the hon. member who just spoke for the government side, who get up and try to tell us Canadians are doing better, even though they have in fact cut back $3.3 billion on that original commitment.

It is similar to the situation of one person having a commitment and owing another $3,200. That person reneges on the $3,200 and the projected commitment, and comes back and says: "Well, I have decided I cannot afford it and I am going to let you carry the loss". That is not too difficult to understand. Most Canadians will see

this government is reneging and is dishonest in the face of the legislation. It is holding Canadians up for ransom by dumping its responsibilities on the provinces.

In closing, when this government goes to the polls, each of those members will want to be able to look Canadians in the face and say: "I kept faith with you and I lived up to my commitments to you". I would suggest the hon. members on the other side of the House talk to this government about what is necessary for one to be able to look a Canadian in the eye and say: "I kept faith with you".

Mr. Thompson: Point of order, Mr. Speaker. I just want to make it perfectly clear that during this debate today we have heard extrapolations or projections of what might have been. I suggest the hon. member's entire speech was based on what might have been if we lived in a perfect world.

That is the point I wish to make. Those are extrapolations only on figures that might have been--

The Acting Speaker (Mr. DeBlois): It is not a point of order. It is a matter of opinion.

On the same point of order, the hon. member for Essex—Windsor.

Mr. Langdon: As my colleague pointed out, equalization payments to provinces like New Brunswick actually fell from $8.1 billion to $7.9 billion. That is not talking about extrapolations. That is talking about actual reductions.

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, I rise to enter into this debate and in particular to offer a perspective as an Ontario member. I would not want to hear catcalls from the other side of the room, just because I am a New Democrat and the province of Ontario happens to have a New Democratic government.

I will try to offer a perspective based on the reality that this federal government is in fact off-loading its responsibilities through the curtailment of its transfer payments. I do not care what government is in Ontario. It is just a coincidence that we are both New Democrats.

We talk about have provinces and have not provinces and what is going on with the federal government.

A lot of things have been said today about there being only one place to get tax money and that is from the taxpayer. It really does not make any difference if we get it on the federal level, the provincial level or from the municipal level or through the board of education taxes. The reality is—it was pointed out by a Conservative member—there is only one taxpayer. That person is absolutely right. There is only one taxpayer.

The problem is that the federal government continues to raise personal income taxes—

Mr. Hockin: We lowered it.

Mr. Samson: Tell the taxpayer that you lowered it.

An hon. member: Look at the budget. We lowered it.

Mr. Samson: Now they are getting excited. It does not take much to get them excited.

The fact is that the way the tax dollar is being spent is the issue. When the federal government transfers responsibilities to the provinces without transferring the funds for them to function, it would be about the same as if I said to my wife: "I have the income but you have to go out and pay the bills". This is what is happening today.

When we see the cap on the Canada Assistance Plan, when we see what this federal government is doing—I support the fact that we need immigrants in Canada—but when it allows immigrants to come to Canada and it transfers the responsibility of educating, housing and feeding these immigrants on to the provinces without transferring the proper amount of money, then what are we doing?

What is this federal government doing? I think what it has to come up with are some answers as to what it is doing with Canadian dollars. How is it spending the money?

This government has made millions and millions of dollars on the GST. It knows that and it admits it. It has saved. It brags about the reduction in interest rates and it is saving millions of dollars there.

It cut Canadian Jobs Strategy by $100 million. It sells gold to the tune of about a million ounces per year. What is it doing with the money? The deficit does not go down. The national debt is not going down. Where is the money going?

It is fine for the government to say it is doing what it can, is getting things under control and expects the provinces to do the same thing. However, it is not prepared to help them. It holds back spending and puts up a nice front. Come next election time, it is going to be able to say: "We did our share. We got things under control."

Now the provinces cannot do it. Why not? Because they have cuts in the transfer payments from the federal government. The government is passing on its responsibilities to the provinces unfairly saying: "Those are the breaks. We are not giving you any extra funds. We are not going to give you any more money to do what you have to do. You are just going to have to do it."

I would like to see any one of those married members say that to their spouse: "I am going to keep the money, but you have to take care of the household. You have to buy the food. You have to pay the mortgage. You have to dress the kids." Give me a break.

As one of the have provinces, Ontario has made a commitment. In 1988–89, the federal government collected more than $5,000 per capita in Ontario. It spent $3,360 per capita in Ontario. The result was the net outflow from Ontario of some $16 billion in federal revenue.

The Ontario government continues to commit and keep its commitment to the values of sharing in Canada. In particular, Ontario has always strongly supported the $8.2 billion equalization program.

Let us face it. Everybody is in trouble. All the provinces are in trouble, and the federal government has to recognize that. It has to come up with programs that will put people back to work. People do not want social assistance. People do not want welfare. They do not want to live on a street corner in a cardboard box. They want to work. They want to contribute. They want to be part of the economy. They want to be part of the growth of this country.

• (1630)

What we need are job creation programs and a show of confidence from this government. We need some assistance to get things moving in this country. It means that this government has to participate and has to start loosening up a little bit.

It has to start realizing that even the have provinces are hurting. It has to recognize that the have provinces need assistance before it is too late, before they become have not provinces. All the provinces want to participate and I think this federal government has an obligation to recognize that and to offer assistance.

I would just like to conclude by asking this federal government to rethink what it is doing in this bill. We have to look at the growth of CAP. One member mentioned a little earlier that the Canada Assistance Plan has grown by 5 per cent a year. Obviously that is not enough. Until this government gets its act together and starts putting people back to work, we are going to need more assistance. But that is not what Canadians want. They do not want more assistance. They want to work in Canada, for Canada, for the benefit of Canada so that we can remain Canadians.

I look to the federal government to come to its senses and get this bill under control and get its act under control.

Mr. Derek Blackburn (Brant): Mr. Speaker, I will be brief, but I do want to participate in this debate because there seems to be a lot of misunderstanding, particularly where I come from in Ontario, about deficits, government spending, tight fiscal policies, unemployment and so on.

Of course the recession drives this thinking. People in Ontario have been hit very hard in the past two years. Not only are we going through a recession, but we are suffering in many sectors of the economy in many parts of the province from the ravages of the free trade agreement. We are still suffering the ravages of the high Canadian dollar *vis–à–vis* the U.S. dollar. We are still suffering the ravages of the high interest rate policies of this government opposite.

Those are policies that have built up over the 1980s and collided head–on with the economic downturn which we call a recession, but in many communities in Ontario it is in fact a depression.

Then, to cap it all off, the federal government has the gall to turn around and tell the Ontario government that it is spending too much. At the same time as it is telling the Ontario government that it is spending too much, it is off-loading its portion of financial responsibility to the province of Ontario to the Government of Ontario.

This government cannot have it every way it wants. On the one hand it lectures the Ontario treasurer and says: "You have got to cut back on your spending", while at the same time this government cuts back on the transfer payments to the province of Ontario.

Mr. Speaker, as you know, the way our country is constituted, the provinces are responsible for delivering certain basic programs: programs for higher education, programs for medicare, programs for social services. If the province of Ontario listened to this Conservative federal government we would have a lot more people not only on welfare, but we would have people wandering around the streets with no assistance at all. We would have universities laying off professors and lecturers. We would have not just wings in hospitals shutting down, we would have whole hospitals closing down.

The Conservatives cannot have it every way they want it. They cannot tell the province of Ontario that it is spending too much money and then cut back on transfer payments in those three vital areas and think that the people of Ontario are going to believe them.

For example, in 1991-92 federal cuts have increased Ontario's debt by $11 billion or 28 per cent. That is virtually the same amount that the Ontario deficit is at the present time. The reason the Ontario deficit has gone so high is because the Ontario government has felt a commitment toward those hurt the worst as a result of the recession.

It is one thing for the federal government to say: "We are cutting back on fiscal transfers for higher education, for post-secondary education but it is another thing for the Ontario government to tell the universities of Ontario that they have to shut down faculties or parts of faculties or parts of medical schools, parts of educational schools and so on. That is where the action and the heat is. That is where the immediate criticism is, on the street, on the campus, in the hospitals or in the social welfare offices.

It is very nice for the federal Minister of Finance to cut back on transfer payments for social welfare matters. When was the last time he stood behind a counter in a welfare office and said: "I am sorry, you do not get anything next week or for the next two weeks because we do not have any more money".

It is the provincial people who are left with that very unhappy position. They have to meet the people one on one in the social welfare offices and they need funds. If the federal government is going to cut back on transfer payments, then to fulfil their responsibilities the provincial governments need to borrow money in order to make up the difference.

Then we have the situation where the Minister of Finance lectures the province of Ontario and says: "You are overspending".

Debt is a major problem in this country, nobody denies that. But do you cut back on social transfer payments for welfare, payments to single parent families at a time when unemployment in this country is at 1.5 million, when over 10 per cent of Canadians are unemployed, when industries are not able to pay the taxes which legally they are supposed to be paying, when we have an economy that is in transition? I am being kind when I say that. The industrial heartland of Ontario is in terrible shape. I am not deliberately painting a negative picture.

I am convinced it is going to turn around. I am convinced they are going to be winners and I am convinced that within a year or two we are going to get the unemployment rate in Ontario down to a manageable figure. But to get from here to there, we are going to have to spend a lot of money in this province. Let us be honest about it. Other provinces in this country, the less fortunate provinces, the poorer provinces have for years depended on Ontario, Alberta and British Columbia to mention only three, as sources of transfer payments.

In Ontario, which accounts for 43 per cent of all federal financial input through taxes and receives only 30 per cent back, there is a loss of some 16 per cent in tax revenues raised by the federal system for transfer payments. That amount last year was about $16 billion and that was during the depth of a recession.

How does the Ontario government keep the money flowing to the hospitals, to the universities and colleges and to social welfare assistance? Where does it get that money? It has to borrow the money. Then the federal Minister of Finance slaps them in the face, verbally at least and says: "Hey, you guys at Queen's Park are spending too much money".

Surely the time to cut back, if the federal government feels it has to cut back in order to tackle its deficit problems, is not when we are at the bottom of the economic heap, not when we are going through the trough and the depths of a recession. As I said at the outset it is close to a depression and would be a depression if we did not have these social welfare payments.

The time to cut back is when the economy is going full steam ahead, when money is coming into the public treasuries of the provinces, from industry and from personal income taxes. That is when governments can afford to make cutbacks, but surely not in the very depths of a recession.

That is why the province of Ontario has been caught with this terrible annual deficit, this current account deficit. I have not heard the throne speech today in Ontario. It started, I believe, at around three o'clock. But I have no doubt that the Ontario deficit may go well beyond $11 billion this year.

• (1640)

A lot of that deficit is a direct result of the cutback of the federal transfer payments in those three areas I mentioned. Probably close to half is the result of the cutback in federal transfer payments to Queen's Park this year.

Now, if you are going to hammer Queen's Park, if you are going to tell Queen's Park that it has to put its finances in order, then it is little wonder that the Premier of Ontario says: "Look, as part of that unity package, as part of that constitutional debate in Ottawa, we are going to have to ask for a change in fiscal policy in this country *vis-à-vis* the federal government and the provinces. In other words, if we are going to suffer the cutbacks in fiscal transfers from the federal government, then we are going to have to acquire the legal right to tax more on our own."

We know what that kind of thing could lead to. It could lead to a lot of trouble in this country. If provinces do get greater control over direct financing, there will be less inclination, less of a tendency, to transfer funds out of those provinces through the federal government to the have not provinces.

I would rather have it the way it is, quite frankly, if the federal government would pay its bills. And that is exactly what we are talking about today. The federal government should pay its bills to the provinces, and it is not doing that. Yet it is expecting the provinces to keep pumping funds into colleges and universities, hospitals, and so on.

I have made my point. The federal government cannot keep on cutting back on transfers at this time, particularly during an extreme recession. Certainly, new fiscal arrangements are being called for.

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I will be brief. In keeping with the previous speaker who began his remarks by saying that he was going to be brief, I will be even more brief. I would like to put a couple of points on the record that deal with this very important matter we are discussing today.

First of all, one of the items I do not think Canadians should lose sight of and one that perhaps they are not aware of is the fact that this government has instituted a program called the Revenue Guarantee Program. It protects provinces that are participating in this program in tax collection agreements from major revenue reductions due to sudden changes in federal personal tax policy.

As members have previously said, there are provinces that are currently suffering from economic shortfalls. This is a program that was put in by the government to assist when it finds that there are times in its revenue projections that for reasons not within its control which caused its expectations not to be met that this program kicks in.

Saskatchewan suffers from its dependency primarily on the grain trade, a trade that has been subject to the international grain price wars. Saskatchewan has seen its economy spiral in a negative fashion to the point where we have and continue to feel and have felt for quite some time the recessionary influences of the international grain trade wars. Again, this is in a province that to a major degree depends on a singular aspect of its economy for its survival. There have been some attempts made to diversify, but those are somewhat limited.

Saskatchewan has benefitted from this program and I suggest to members in this House and to Canadians that that opportunity is there not only for Saskatchewan but also for every other province.

There has been some comment made, yes an admission, that grants to provinces have increased over the past, but perhaps these increases have not been enough. I am not too sure that anyone has the power, the strength, or the wherewithal to determine when enough is enough, particularly when you are reliant on a pool of funds that is restrictive in its own, and the federal government is no stranger to that dilemma.

The federal government has, and I would like to recite for you for the record, committed itself to an ever-increasing expenditure of transfer payments going to the provinces.

The EPF fund, which in 1984–85 was $14.5 billion, rose to $20.5 billion in the year 1991–92, and will go to $20.766 billion in 1992–93. In the area of equalization the same holds true going from 1984–85 from $5.5 billion up to the next year of $8.5 billion. The Canada Assistance Plan is going from $4 billion in 1984–85 to $7 billion in 1992–93 and other transfers are going from 1984–85 from $2.1 billion up to $3.6 billion in fiscal year 1992–93.

Perhaps expressed in terms of percentages, percentage figures seem to live with people more so than terms of actual dollars. EPF has increased by 4.5 per cent from 1984–85 to the year 1992–93, the equalization funds by 5.9 per cent and the Canada Assistance Plan by 7.3 per cent.

It is very clear that there have been ongoing increases in the transfer payments from the federal government to the provinces. What makes this point even much more important to make is that all of this has occurred at a time when the federal government has dug in and said: "We will reduce our expenditures at a time when others are asking us to increase our expenditures". Canadians generally are asking the Government of Canada to reduce its expenditures and in so doing we have had to limit the rate of growth that has been transferred to other provinces.

I made issue of this just last week in a Standing Order 31 statement where we have been criticized for what is more popularly referred to as off-loading. To curtail the rate of growth, to still include a rate of growth in the amount of funds going to the provinces, I would suggest respectfully that it is not off-loading.

What is in fact off-loading is very clearly illustrated by what has happened in the province of Saskatchewan, my own home province. The province of Saskatchewan has indicated that grants to municipalities will be cut by 15 per cent, not the rate of growth showing a cut, but starting from an even base from last year there will be a 15 per cent cut in the amount of moneys being transferred to the city of Regina, the city that I had the pleasure of representing for nine years. That is off-loading. That is a fact in spades, in capital letters. That is off-loading.

We, the federal government, have been expected to tighten our belts to show our rate of growth increasing by no more than about 3.6 per cent. The Government of Saskatchewan has come upon us, the residents of Saskatchewan, and said: "Your rate of growth will not only not show any increase but we will cut from the previous year". That is off-loading.

Those are essentially the points that I wanted to get on the record. There has been much said about "if I were there, this is what I would do" without the associated responsibility of providing the answer to the question of where in fact would these funds come from.

Economic realization of difficult times requires some pretty stringent approaches to how one deals with the country's economics. A wish list is not the way to do it. If anyone for a moment suggests that additional funds be spent, a supporting source from where these funds should logically come should accompany those kinds of comments.

Those are my comments, Mr. Speaker. I thank you for the opportunity to put these on the record.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I listened intently to what the member for Regina—Wascana said. He said he would be brief. Well, he was almost brief.

He said right at the end that if I were there, this is what I would do, without a realization of where these funds would come from. I say to him, on behalf of my colleagues in the NDP, just let us go over there. Let us go to the government benches for a little while. We will show you where the funds come from. We will have a fairer system of taxation in this country. We will get rid

of the GST and we will get economic prosperity going again in this country.

I am from the province of British Columbia. I want to say a little bit about the off-loading by the federal government and how it is affecting my province.

The member for Brant spoke a few minutes ago about how it is affecting his province. He said, as I recall, that a part of the provincial deficit in Ontario, the budget deficit, perhaps up to half of it came because of the cutbacks in the federal transfer payments.

I know that in my own province, as the finance minister of British Columbia, Glen Clark, has said, that the cutbacks, the off-loading measures implemented since 1982 in B.C. have been $1.1 billion. This is equivalent to 67 per cent of our estimated budget deficit of $1.7 billion in British Columbia.

• (1650)

We have a deficit in British Columbia because we had to clean up from the Socred government which mismanaged the provincial finances. Social Credit was a coalition of Liberals and Conservatives for those people from outside of B.C. who may not realize what it was. It was a Liberal/Conservative coalition. Not only did it mismanage, it would not even tell the people the truth of what was happening to the provincial finances. Now that we have got to the bottom of that we realize what is happening.

I cannot speak for Ontario, but I was listening to my friend from Brant and my other friend from northern Ontario, of the NDP, speak a few minutes ago.

I began to wonder, in Ontario there are tremendously difficult times right now because of the free trade deal and because of the changes that are going on in that economy. So our friends in the Conservative Party are saying: "Just abandon the workers and abandon the people who need some help in these difficult times". You cannot do that. You would have riots in the streets if you did that. You would not have a peaceful province.

I might tell the member for Brant, I was thinking about this in a broader context. What was happening when Ontario was doing well in the 1980s? After that short recession you will recall in the early 1980s, then Ontario did very well. That is the time the Peterson Liberals were in power, as I recall.

It seems to me that government does have some obligations. It should not have been spending so much. That was Liberal mismanagement in Ontario that time. If it had saved some money, then in the difficult times, it would be more credible for a government to say: "We can spend money now".

That is straight Keynesian economics. You prime the pump when the times are bad, when private investment is not there, making sure the recession is not that bad. Then when times are good and the taxes are flowing in, you put it away. That was the basis of the kind of economics that got us out of the Great Depression and World War II.

An hon. member: It got us into the present mess.

Mr. Ian Waddell (Port Moody—Coquitlam): My friend says it got us into the present mess. No, that is not true. You save in the good times and spend in the bad times. The Liberals forgot to save.

Now I wanted to talk about how this affects my own province of British Columbia. I have just said that how the off-loading measures have meant about 67 per cent of our estimated budget deficit. It has really caused that and that is one of the reasons we have that deficit.

Yet, I think that the B.C. Minister of Finance, Mr. Clark, maintained the faith with those who were unemployed and those who were in difficult situations and brought forward a good budget. He has been criticized by the Liberals in the province of British Columbia, but he kept the faith unlike previous Liberal governments or the Liberal/Conservative coalition known as Social Credit.

The established programs financing, the impact of Liberal and Conservative changes to that program will result in my province of British Columbia losing $6.8 billion by the end of 1994-95. These are great sums. I want to give a little bit of the background here.

Under the Canada Assistance Plan, called CAP, the federal government is required to provide funds to the provinces and territories on a 50/50 cost shared basis for social assistance and social services including child care, social assistance and welfare.

However in 1990, and again in 1991, the Conservative government unilaterally amended the Canada Assistance Plan Act by restricting increases in federal contributions to five per cent to the have provinces of B.C., Alberta and Ontario. This did not help, in many ways, national unity or co-operative federalism by doing this unilaterally.

At a recent federal-provincial finance minister's conference, B.C. noted that the Canada Assistance Plan benefits are used to assist people not governments. This goes to people, not to governments.

In 1991-92, $166 million will be lost to British Columbia due to the 5 per cent gross ceiling. More than $1 billion will be lost by 1994-95. That means that money is lost to people. The federal government is taxing Canadians and not redistributing that money sufficiently.

The Conservatives brought in the cap of 5 per cent gross ceiling even though the Canada Assistance Plan agreement required the federal government to give one year's notice of the change. B.C., Ontario, Alberta and Manitoba and two native organizations challenged that in the Federal Court. They lost. The result is that Ontario, as my friend for Brant said, has been hardest hit by the ceiling due to the dramatic increases in welfare because of the recession. In January 1992, over 1.1 million Ontarians were receiving benefits, up 33 per cent. High unemployment there was because of the collapse of the manufacturing sector due to the free trade agreement and the recession.

I want to say something about our position on this matter. I owe that to the House. We in the NDP have opposed all legislation restricting Canada Assistance Plan funds because it allows the federal government to renege on paying its fair share of social assistance costs. Much of the growth and demand for aid is due to federal actions, ironically, such as the reduction in UI benefits, the made in Canada recession and the job losses due to the free trade deal.

The federal government is even giving notice that it is withdrawing from providing social programs which the Prime Minister once called a sacred trust. You cannot trust the federal government to honour its commitments. Someone once said: "If you shake hands with the federal government you better count your fingers after".

What is happening is that both Liberal and Conservative governments, especially Liberal governments in the past, and this is important to remember, are not going to change the situation at all. Off-loading these expenses to the provinces is not the way to get out of it. The hon. member said: "The revenue guaranteed program is out there". Let me tell him for Ontario and for my own province of British Columbia, we have not seen the cheques. If the cheques are out there, they seem to be bouncing.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, like my colleagues on this side of the House who have spoken, I want to take a few minutes to put my thoughts on the record with respect to what is being proposed here by the government. I hope in the process of my remarks we do not have a repeat of what happened this morning when the government tried to shut me off by bringing the House down.

We live in a confederation. This is the way we have developed our form of government in this part of North American where provinces came of their own volition into a federation. We have a central government. There was one time when taxation was a provincial responsibility. That was one of the rights of the provinces. During the Second World War, they turned it over to the federal government. It was to be for a temporary period of time.

The federal government has ended up with that. There are those of my colleagues who have seen Canada as a confederation with a strong central government. I see smiles on faces of my colleagues who have always argued for a strong central government. We have a strong central government in this country.

An hon. member: Dictatorship.

Mr. Rodriguez: It is a government that determines what happens to the Canadian dollar. It is a government that has total control over the Bank of Canada. Therefore, it is a government that can control the interests rates in the country. These are facts. Bob Rae and Allan Blakeney and anybody else who ever governed a province never had a say in that. We are now hoping to broaden the board of directors of the Bank of Canada, but in fact it is the federal government that determines these things. Monetary policy is determined by the federal government. There are no ifs, buts or elses about this. Let us put it in the proper context.

• (1700)

Two years ago, when inflation was at at 5.5 per cent or 6 per cent, Dr. Crow decided that we could not have that and that he, as the central banker, had to enhance his image with all of those international casino players. Therefore, he was going to make sure that inflation was wrestled to the ground. What we saw was interest rates going up and up and up. As they went up, unemployment went up in the country. In fact, the Conference Board of Canada at that time said that it was a made-in-Canada recession.

An hon. member: That is right.

Mr. Rodriguez: You all remember that. Have we forgotten, Mr. Speaker?

An hon. member: A Tory concession.

Mr. Rodriguez: Here we have a government at the national level that had its hands on the levers of fiscal and monetary policy, yet the people from whom it got the revenues reside in the provinces and who get their services directly from those provinces, services for health care, for education and social assistance. These are operated by the provinces. Here we had the federal government taking action. Of course, the end result was that in fact we had all of those people falling on to unemployment insurance.

Then this government, to put salt into the wounds, brought in changes to the Unemployment Insurance Act, Bill C-21. I do not have to remind too many members in this House of that bill. My colleague fought this so hard, the member for Timmins—Chapleau sitting here to my right. The act turned over the funding of unemployment insurance to the employers and employees totally. To put further salt into the wounds, this government decided to take the training funds out of the unemployment insurance program.

The government then pats itself on the back, puffs up its chest and says: "Look, on our operating accounts we run a surplus". Last year it ran a surplus of $11 billion. The federal government, a little known fact, took in $12 billion more than it spent on the operating year over year accounts. But because of the deliberate high interest rate policy that was followed by this government, the Sumo wrestlers of the world, that had to wrestle inflation to the ground, which is down now to 1.7 per cent, the patient is in a coma.

An hon. member: 1.5 million unemployed.

Mr. Rodriguez: What is the price? We said this to Mr. Crow. He thought he was J.C. He came before the committee and we said to J.C.: "Is your conscience not bothering you? How can you sleep at nights knowing that you have so successfully defeated inflation, but you have got 1.5 million people unemployed in this country?"

With the cutbacks in unemployment insurance where do you think those people are now ending up? They are ending up on the welfare rolls—

Some hon. members: Of the provinces.

Mr. Rodriguez: Of the provinces. Thanks for reminding me, brother. On the provinces. What does the government do? It turns around, this gang over here, heartless and cruel—

An hon. member: Soulless.

Mr. Rodriguez: —soulless. This heartless, soulless and cruel government turns around and blames the victims for this pickle that it is in when it is all made over there. It is a made in Toryland recipe. That is where it has been made and now the Tories are saying to Bob Rae: "You are spending too much".

In this country, there are two million people living on social assistance. There are 2 million people living on social assistance, and they are saying that the governments at the provincial level are spending too much. They are spending too much.

I want to put things in proper perspective. I know my good friend from northern Ontario to my right is there, but I have to say it. They actually blame the Ontario government. Who is it who got us into things in Ontario like the Dome? I thought that was something that the private sector ought to build, but Billy Davis on the board of directors and Howard Starkman and all these guys, they wanted the Dome.

Who was going to build and pay for the Dome? The taxpayers of Ontario. Ontario now is left with this white elephant called a Dome, and it is now backing out of the deal it had just signed to buy the thing.

Who got us into buying Suncor shares that are not worth a pinch of coon snuff today? Billy Davis, the Tory premier got us into Suncor. We cannot even sell those shares today and help pay down the debt. They are not worth a pinch of coon snuff.

That is where we are. As a matter of fact, the last budget that the Peterson government brought down before they were defeated projected a surplus of $400 million. By the time poor Floyd got the key to the treasury, that had worked its way to a $700 million deficit.

What happened? This gang—I hate to say this to my left, but that is only figuratively—this cruel, heartless, soul-less gang took actions which created the problems that are now being experienced particularly in Ontario.

In fact, Ontario was the goose that laid the golden eggs for years for this government. It lived off the avails of Ontario. I say it should be charged with pimping. It has lived off the avails of Ontario, and now Ontario has a rough time, they are all deserting the house. They are all leaving the House, and turning around and saying: "It is your fault. You are spending too much".

I want to tell you that the NDP government in Ontario is not prepared to back away from its responsibility to make sure that the victims of this cruel, heartless government do not end up on the street. That is what we say.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

The House will now proceed to the taking of the deferred division at the report stage of the bill now before the House.

Call in the members.

Pursuant to Standing Order 45(5)(a), I have been requested by the acting government Whip to defer the division until a later time.

[*Translation*]

Consequently, pursuant to Standing Order 45(5)(a), the recorded division on the questions now before the House is deferred until 5.45 p.m. today, when the bells shall be sounded for not more than 15 minutes.

* * *

[*English*]

CONTRAVENTIONS ACT

MEASURE TO ENACT

Hon. Monique Landry (for the Minister of Justice) moved that Bill C-46, an act respecting contraventions of federal enactments, be read the second time and referred to Legislative Committee H.

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, I am honoured to rise in the House today and lend support to the Minister of Justice who has set forward her proposals for a federal ticketing scheme.

The Contraventions Act is but one means whereby the federal government can assist provincial jurisdictions in coping with the heavy burden on the courts. The Contraventions Act provides for a ticketing scheme that will be simple and will assist in making the justice system more efficient.

To begin with, the 12 participating departments and agencies have identified almost 4,000 existing minor regulatory offences which will be included in a schedule of offences. The schedule which accompanies the act can be regularly updated and amended so as to meet the future needs of government departments and agencies.

What kind of offences are contemplated by this Contraventions Act? We are talking about minor offences. For example, recklessly driving a motor boat close to shore, hunting without a valid licence, camping in a park without a permit, illegal parking on federal lands.

The person who is ticketed has the following options: Plead guilty and pay the set fine as indicated on the ticket without having to appear in court. Plead guilty with representations asking the court for a lesser fine or an extended time to pay the fine, or the individual may wish to dispute the charge and so indicates the desire to proceed to trial by forwarding the ticket to the appropriate court office.

In this latter case, where a trial is requested, the trial proceeds in accordance with the summary conviction provisions of the Criminal Code. An individual who ignores a ticket will be found guilty by default.

It should be noted that the Contraventions Act will apply to young offenders as well as adults. It is fair that young persons who engage in activities under the sphere of the ticketing scheme, such as boating, camping, hunting and fishing should be held responsible for their actions if they violate the law.

In recognition that the maximum fine limit of $1,000 which is set for adults may be onerous, the maximum fine level for a young person who is ticketed will be $100.

Permit me now to speak in an even more tangible and concrete fashion about what the Contraventions Act will do for many Canadians.

Mr. Speaker, as you know, in my riding of Parry Sound—Muskoka there are literally hundreds and hundreds of cottages surrounding one of the most beautiful lake districts in all of Canada. While most residents wish to enjoy the tranquil beauty of nature in the surrounding area, there are a few who would abuse the privilege.

I am deluged with complaints from friends and neighbours in my riding who are angered by the wanton and reckless disregard that some people display when using their boats on the waterways. People will sometimes drive recklessly close to the shore, rev up their engines at noise levels that far exceed the permissible limits. Up to now, enforcement of the small vessel regulations and the boating restriction regulations have been a most difficult chore for enforcement officers. The overly lengthy procedure inherent in the current system mitigates against the uniform and consistent enforcement to the detriment of cottagers.

The Contraventions Act will permit the issuing of tickets to people who drive their boats in excess of prescribed speeds near the shores, or it will allow enforcement officers to ticket people who engage in unauthorized boat racing, or who fail to maintain their equipment as required by regulations.

The activities I have spoken of, as one can readily see, are not activities that should be subject to the procedures and sanctions of the Criminal Code. It is entirely appropriate that people who commit these somewhat less serious, but nevertheless bothersome, infractions should be dealt with under the law. But it is equally clear that people who commit such infractions should not necessarily be always subject to the procedures of the criminal law.

Therefore, the Contraventions Act is an ideal solution, permitting the monitoring and enforcement of these activities while doing so outside the traditional bounds of the Criminal Code.

Those who do not wish to contest proceedings should be able to pay the ticket without having to go through the criminal law process as they have to now. The enforcement of these minor regulatory offences is made much more efficient for the government and simpler for those found in contravention.

We need action on this front now, and I am urging all members of the House to lend their support to this legislative initiative so as to ensure a peaceful and tranquil summertime.

I have been pressing for this legislation for well over five or six years. I believe I have brought it to the attention of three ministers of justice, starting with the Hon. Ray Hnatyshyn, our present Governor General, and with the Solicitor General and finally with our present Minister of Justice. I finally got my message through to her and I guess to her officials so that the bill was finally organized and brought in last fall.

I am hoping that some way part of the bill—and I am emphasizing that part of the bill to do with the boating regulations—can be brought in and passed more quickly than the rest. I have been told by the legal authorities in the Ministry of Justice that while the bill will go through without too much opposition, even when it gets through in a hurry it is going to take some months and probably would not actually become law until this fall.

That would mean that we would miss the entire boating season and the present unwieldy way in which these infractions are dealt with would continue for another year. That means, again, that a great many

people who could be given a ticket and would pay a fine, because they have to be charged under the Criminal Code now, which is a much more serious offence, will get off for another year.

Furthermore, when this legislation does finally come into effect, there will be literally tens of thousands of cases which now have to appear before the courts which can be settled out of court. I am hoping that the Ministry of Justice some way or another can get the part dealing with boating infractions through and ready by the May 24 weekend.

• (1720)

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to compliment the member for Parry Sound—Muskoka on the work he has done in bringing this bill to realization. He and I have something in common. We both have had trouble getting through to the last two Ministers of Justice. I can appreciate that, as he knows, and as all members know.

As the member has said, this has been in the works since 1985. A lot of work has been done on this. I think basically the idea is a good one. There is need for something like this. I feel a lot more needs to be done by the Department of Justice and the government to relieve the workload of the courts so that we can allow the courts to do the job which most necessarily needs to be done and that is to keep up with the caseload with which they are faced.

What we have here is a situation where there are a lot of laws through regulation that now are brought forward through the Criminal Code and require court hearings. What is being said is that a lot of these cases do not need to go before the courts. If there are going to be guilty pleas, if there are offences under regulations of various acts, then it should be enough to give a ticket or something to the alleged offender and that ticket would require the offender to pay a fine up to a maximum of $1,000.

It may be that under the regulations the fine is set, but the fine could be set at less than $1,000 for adults but not more because the maximum under this bill, the Contraventions Act, is $1,000. As the member for Parry Sound—Muskoka has said, this act also applies to young offenders, but the maximum for young offenders is $100.

There is a need for this bill. I think if properly handled and properly dealt with that this can be a very positive aspect of our judicial system.

The aim of this bill is twofold. One is to decriminalize approximately 3,500 offences by creating the option for the enforcement officer to issue a ticket to an offender rather than pursuing a summary conviction or an indictable action.

This will free up the court's time, eliminating the need to hear these minor offences. It still allows the officer to go by way of summary or indictable conviction if he or she wishes. It is up to the officer. The option is there.

In most cases I think that the officer will choose to go by ticketing. It helps the court's time. This of course does not mean that because someone is ticketed they have to plead guilty. If they feel there are extenuating circumstances and they are not guilty of the offence for which they have been ticketed, they can arrange to be heard in court. In some cases they may be even able to submit written evidence and not have to appear in court if the distance is too far.

The courts and the system and the act are going out of their way to simplify matters which the government feels, and I think too with a great deal of justification, can be dealt with more simply than they are at the present without dealing with the high priced talent in courts and through lawyers, judges and so on in order to take time which is needed for more complicated and lengthy processes.

Not only that, but this legislation is supported by all the attorneys general of the provinces. There is heavy demand from most government departments to have their regulatory and other minor offences included among those covered by Bill C–46. At present, this bill covers 12 departments, commissions or boards, whose regulations or sanctions will be covered. These offences can be ticketable.

As the bill is in place for a while it is presumed that more departments, commissions and agencies will come in. More than the estimated 3,500 offences will be brought under this bill. Also, with the support of the provinces it will just continue to grow.

There is one major concern—and this is a major concern—as to what is going to be ticketable, what is going to be given this option to be ticketable as an offence, is left to Orders in Council. If done conscientiously this will not be a problem. If the government

decides to politicize or to try to lean in a certain direction to accommodate vested interests, I can assure the House that this bill is going to be a problem.

I want to flag this right now because it is vital. I think our party is in agreement with what the government is trying to do, the spirit of trying to relieve the workload of the courts to simplify the justice system, as the hon. member for Parry Sound—Muskoka has said, in boating violations on lakes and things that are obvious.

What are we trying to do here? We are trying to divide it into two different categories. For those who are committing a crime against society, against morality, a crime against the person, these matters will still have to go through the Criminal Code to summary or indictable offence. That is the way it should be.

However, in themselves some acts are not really unlawful. Driving a boat at high speed on a lake ordinarily would not be an offence, but because people are on the lake, because there are other boaters on the lake, this is an offence because of public will. It is a situation of inter-communication of people and in their best interests people have to respect the rights of others. Because of the interweaving of society and the rights of people, these offences have to be dealt with.

Illegal parking on Department of Transport property is an offence. We do not want them to be criminal offences. We do not want the stigma there, but they are still against the best interests of society and the best interests of other people and have to be dealt with.

There are also a lot of acts, a lot of regulations which are vital and which are going to become more important. They are not just minor annoyances. When I talk about that, I talk mainly about the concern with respect to environmental dumping offences for which many minor ones appear on the list now. The fear is that the department lawyer may be under heavy pressure from his or her minister to add serious offences to the ticketable list when it should remain as summary or indictable offence only.

In talking to the Department of Justice on this it says that it does not think this is going to be a problem, that my concern is just theoretical, and that the system will not allow this to happen. However the system can allow this to happen because what becomes a ticketable offence is, as I have stated, to be determined by Order in Council.

If the government decides that it wants to do it for some reason even though it is against the best interests of society, it can add it to the list so that an offence can be a ticketable offence when in fact it is a very serious dumping offence.

There has to be a perspective and we have to watch this very closely. I would suggest to the hon. member for Parry Sound—Muskoka, the Minister of Justice and the parliamentary secretary who is here today that there be a review process given to the House of Commons on these Orders In Council, the way it is being done with the regulations of gun control under Bill C-17, that these new ticketable offences to be dealt with outside of the Criminal Code and with the option to be ticketable rather than preceding with summary or indictable offence, be given to the House of Commons for a period of time to review so that we can look at it and judge whether this is in the best interest.

• (1730)

I say that because I think all members of this House have an interest in making sure that this is done properly. The government has come forward with this idea, albeit not quickly. It was first started in 1985. First reading of this bill was on December 9, which was four or five months ago, but still, the spirit is there. I think it is important to maintain that spirit. I think we have to continue with that.

The government also says that this is going to be revenue neutral, but there will be money saved by making better use of the court's time and resources. I think that is a fair statement. I do not think we want to go too far. I think we want to keep it in perspective. I think the hon. member for Parry Sound—Muskoka, the minister and the parliamentary secretary, all members of government, all members of this House, would want the same thing.

The only thing I am afraid of is that without the parliamentary review, with the ability to do this so easily through Order In Council, it may get out of hand. There is not that check and balance I would like to see.

I do not want to go on too long on this bill. I will be the only speaker for our party because we want to get it into committee and we want to be able to talk about it. We want to have this idea pursued and developed and in place as quickly as possible to take advantage of the summer season. I want that idea to be able to be discussed as well in committee.

With respect to the young offenders, the government has said that it wants to have it heard in youth court wherever possible. I think that is important. I think we have got to use the youth courts. One government, the Government of Saskatchewan, has a problem, however. It would only agree to the legislation if the province could hear the young offenders in ordinary court because it had no mechanism for these offences to be heard in youth court.

I feel that is unfortunate. I would hope that all provinces would stop this transfer, this idea of having young offenders going to adult ordinary courts.

I also want to make a point. I make this not to detract from this legislation which I think is basically a good idea. This idea of what we are talking about today, of ticketing these regulatory offences to relieve the work of our court system, was first put forward in 1976 by the Law Reform Commission, which now has been terminated by the government. I know the Law Reform Commission is not a part of this bill, but I want to say to the government that here is a prime example of what the Law Reform Commission was able to do by bringing forward this idea.

People have said the Law Reform Commission was great, but how many bills are a result of the work of the Law Reform Commission? We are seeing one today as a result of the Law Reform Commission that was brought forward 16 years ago, four years after the Law Reform Commission came into being. That took a long time, but yet the idea was germinated in 1976 and now it has come to reality in 1992. It is here thanks largely to the member for Parry Sound—Muskoka and to the Law Reform Commission. It is tragic that we are losing this very important agency which is germinating these ideas.

By losing the Law Reform Commission, we will be with Zimbabwe and Bangladesh, the only three countries in the Commonwealth that do not have a Law Reform Commission. Now that puts Canada in a pretty bad light as far as I am concerned.

What we have done is to say that we do not want this type of original thinking. If the government is going to get rid of it then we are not going to have this thinking. We have had it to this point and the $4.8 million of the Law Reform Commission's budget has been well served as far as this country is concerned.

With respect to this bill, I want to say that we have the Criminal Code which will deal with wrongful acts that violate societal standards and decency in humanity. We also now have these items that are ticketable or can be proceeded with as summary or indictable offences.

I do hope that we will have a good discussion of this in committee. It is my intention to have witnesses called and we could hear this in committee as quickly as possible. It is important to have more discussion on it.

Basically, as I have said, it is a step in the right direction. It is going to create a positive presence. I would say that we have to be able to review the Orders in Council so that the latitude which this bill gives is not abused.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I want to thank my hon. friend from the NDP who is allowing me to rise briefly before he speaks. I wanted to speak as the minister responsible for tourism enthusiastically in support of the bill introduced by my hon. friend from Parry Sound—Muskoka.

I have received dozens of representations asking that something like this be done. This not only affects all of the purposes that were described earlier in the debate, but it will help tourism in important ways because there are a number of public places where people do not feel safe. This will change the nature of our waterscape and landscape making them safer and quieter.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise to speak on this bill which my party will support. But like my friend, the member for Cape Breton—The Sydneys, the critic for the Liberal Party, we want to call some witnesses and ask some questions at committee stage.

I noticed that the hon. member for Cape Breton—The Sydneys has mentioned that this bill came from ideas first put forward by the Law Reform Commission in 1976, a Canadian institution. He also mentioned that the member for Parry Sound—Muskoka had advocated the bill, if I might say another Canadian institution almost.

I noticed the government has chosen to get rid of one of those institutions and that is the Law Reform Commission. I am personally hoping, as some relatives in my family are also hoping, that it does not get rid of the other institution and that is the member for Parry Sound—Muskoka.

Perhaps the member for Parry Sound—Muskoka might use his influence, which I am told is considerable with the Prime Minister and the government, to get that other institution, the Law Reform Commission, back in. He might consider that.

There are a couple of points that I would like to raise. As the government has said, this bill in fact takes what were almost full criminal offences where an appearance had to be made in court, even though they may be minor transgressions, to make it more like what happens in the provinces with a traffic ticket basically. That is a good idea and long overdue. We in the committee want to have a close look at the regulations. We do not have the regulations here so we do not have a list of what we are expected to see.

• (1740)

In the paper the government put out today called *The Ticketing Scheme for Minor Regulatory Offences, a Backgrounder,* it mentioned that it has identified minor offences under federal law or regulation for which it is responsible and which will be subject to the Contravention Act. It mentions Agriculture Canada, Atomic Energy Control Board—we might want to look at that carefully—Canada Ports Corporation, Communications Canada, National Defence, Environment Canada, and Fisheries and Oceans Canada. Specifically we want to look at Environment Canada offences because the trend in criminal law and in public opinion is to make tougher penalties for environmental offenders, not easier penalties. We want to have a look at this and make sure this does not go against that particular trend.

It would be similar, as I understand it, as to how some of the ticketing schemes work in the provinces. I might say parenthetically it may mean that we will now have to pay our tickets at the airports. They will actually come after us. That is what happens in the provinces. We will want to hear evidence from the provinces as to how these schemes are working and how they collect the money. We can learn, it seems to me, from how the schemes are working in the provinces. We want to see some evidence of that at the hearings in committee on this particular bill.

I do not know whether the minister will be speaking on this bill in the House. Obviously she has not spoken so far. The minister had a press conference about an hour or an hour and a half ago. I was there. She released a statement and discussed this bill in the context of what she called the protection of society week. She talked about bringing this bill in because she wanted to modernize the law and protect society though a number of bills.

I replied at the press conference, without trying to be too cheeky. I said: "There is a difference between law and order and lawn ornaments". A lot of this is lawn ornaments. A lot of it is hype and publicity by press release. In fact there is not a great deal of substance.

We are thankful that there is contraventions legislation but it is a long overdue bill. It is not the deepest of bills. We are thankful that there is a bill dealing with jury selection, but it was the Supreme Court of Canada that told the government to get on with that bill. We are thankful that there will be in this law and order week the Extradition Act, but we have had that for a while.

The latest development in extradition is the concept of an international criminal court. That is how to deal with Libyan terrorists and so on, but the government has not talked about that anywhere. I will later on in the week, I hope.

I want to come back to the notion that the minister put forward, as was mentioned by the hon. member for Cape Breton—The Sydneys. The minister talked about this bill at the press conference, this bill we are debating here today. She said it would modernize the law. If she really wants to modernize the law, I will tell her a couple of things to do. Do not get rid of the Law Reform Commission because the Law Reform Commission was one of the vehicles for getting the new ideas to modernize the law.

I want to quote an article on that by Stephen Bindman, a reporter for Southam News, that appeared in *The Ottawa Citizen* on March 11. He talked about the hon. member for Cape Breton—The Sydneys saying that Canada joined Zimbabwe and Bangladesh as one of the few democratic countries getting rid of the law—

[*Translation*]

The Acting Speaker (Mr. DeBlois): It being 5.45 p.m., pursuant to order made Thursday, April 2, 1992, the House will now proceed to the taking of the deferred divisions at the report stage of Bill C-31 and Bill C-60.

* * *

EXTRADITION ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-31, an act to amend the Extradition Act, as reported (with amendments) from the Standing Committee on Justice and Solicitor General.

The Acting Speaker (Mr. DeBlois): The vote is on Motion No. 1.

Call in the members.

The House divided on the Motion No. 1, which was negatived on the following division:

(*Division No. 129*)

YEAS

Members

Angus
Baker
Benjamin
Bevilacqua
Blackburn (Brant)
Catterall
Crawford
Dionne
Finestone
Flis
Fulton
Gardiner
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Kristiansen
Langdon (Essex—Windsor)
MacAulay
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Ouellet
Prud'homme
Rompkey
Simmons
Stewart
Taylor
Volpe
Walker
Young (Acadie—Bathurst)—63

Axworthy (Winnipeg South Centre)
Bélair
Berger
Black
Boudria
Chrétien
Dingwall
Duhamel
Fisher
Foster
Gagliano
Gauthier
Harvard
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
Lee
MacLellan
Marleau
McLaughlin
Murphy
Nystrom
Peterson
Rodriguez
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Waddell
Wood

NAYS

Members

Andre
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Collins
Côté
Crosbie (St. John's West)
de Cotret
Dobbie
Duplessis
Epp
Feltham
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Harvey (Chicoutimi)
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Koury
Langlois
Layton
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
Mayer
McLean
Nicholson
O'Kurley
Reimer
Richardson
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vézina
Weiner
Worthy—111

Belsher
Bertrand
Bjornson
Blais
Bosley
Bourgault
Brightwell
Cadieux
Chadwick
Charest
Clark (Yellowhead)
Cole
Cooper
Couture
Darling
Desjardins
Domm
Edwards
Fee
Ferland
Fretz
Grey (Beaver River)
Hawkes
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Kindy
Landry
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Marin
Masse
McDermid
Monteith
Oberle
Plourde
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vien
Winegard

PAIRED MEMBERS

Anderson
Cardiff
Gaffney
Hicks
Karygiannis
MacDonald (Dartmouth)
McDougall (St. Paul's)
Merrithew

Beatty
Clancy
Halliday
Kaplan
Kempling
McCreath
McGuire
Pickard

• (1810)

The Acting Speaker (Mr. DeBlois): I declare Motion No. 1 lost.

[*English*]

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that the bill be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to.

* * *

[*Translation*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-60, an act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, as reported (without amendment) from by the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): We now move to the vote on Bill C-60. The first vote is on Motion No. 1. The result of the vote on this motion will also apply to the Motions Nos. 2 and 4.

The House divided on Motion No. 1, which was negatived on the following division:

(*Division No. 130*)

YEAS

Members

Angus
Baker
Benjamin
Bevilacqua
Blackburn (Brant)
Catterall
Crawford
Dionne
Finestone
Flis
Fulton
Gardiner
Grey (Beaver River)
Harvard
Hopkins
Hunter
Keyes
Kristiansen
Langdon (Essex—Windsor)
MacAulay
Manley
Martin (Lasalle—Émard)
Milliken
Nault
Ouellet
Prud'homme
Rompkey
Simmons
Stewart
Taylor
Volpe
Walker
Young (Acadie—Bathurst)—65

Axworthy (Winnipeg South Centre)
Bélair
Berger
Black
Boudria
Chrétien
Dingwall
Duhamel
Fisher
Foster
Gagliano
Gauthier
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Kindy
Langan (Mission—Coquitlam)
Lee
MacLellan
Marleau
McLaughlin
Murphy
Nystrom
Peterson
Rodriguez
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Waddell
Wood

NAYS

Members

Andre
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Boyer
Browes
Campbell (Vancouver Centre)
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Collins
Côté
Crosbie (St. John's West)
de Cotret
Dobbie
Duplessis
Epp
Feltham
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Hawkes
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Loiselle
MacDonald (Rosedale)
MacKay
Martin (Lincoln)
Mayer
McLean
Nicholson
O'Kurley
Reimer
Richardson
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van De Walle
Vézina
Weiner
Worthy—109

Belsher
Bertrand
Bjornson
Blais
Bosley
Bourgault
Brightwell
Cadieux
Chadwick
Charest
Clark (Yellowhead)
Cole
Cooper
Couture
Darling
Desjardins
Domm
Edwards
Fee
Ferland
Fretz
Harvey (Chicoutimi)
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Landry
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Marin
Masse
McDermid
Monteith
Oberle
Plourde
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vien
Winegard

PAIRED MEMBERS

Anderson	Beatty
Cardiff	Clancy
Gaffney	Halliday
Hicks	Kaplan
Karygiannis	Kempling
MacDonald (Dartmouth)	McCreath
McDougall (St. Paul's)	McGuire
Merrithew	Pickard

The Acting Speaker (Mr. DeBlois): I declare Motion No. 1 lost. I therefore declare Motions Nos. 2 and 4 lost.

[*English*]

Ms. Langan: Mr. Speaker, I rise on a point of order. I think you will find agreement to apply the result of the vote just taken to the remaining motion.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The next vote is on motion No. 3.

The House divided on the Motion No. 3, which was negatived on the following division:

(*Division No. 131*)

YEAS

Members

Angus	Axworthy (Winnipeg South Centre)
Baker	Bélair
Benjamin	Berger
Bevilacqua	Black
Blackburn (Brant)	Boudria
Catterall	Chrétien
Crawford	Dingwall
Dionne	Duhamel
Finestone	Fisher
Flis	Foster
Fulton	Gagliano
Gardiner	Gauthier
Grey (Beaver River)	Harb
Harvard	Harvey (Edmonton East)
Hopkins	Hovdebo
Hunter	Jordan
Keyes	Kindy
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Lee
MacAulay	MacLellan
Manley	Marleau
Martin (Lasalle—Émard)	McLaughlin
Milliken	Murphy
Nault	Nystrom
Ouellet	Peterson
Prud'homme	Rodriguez
Rompkey	Samson
Simmons	Skelly (Comox—Alberni)
Stewart	Stupich
Taylor	Vanclief
Volpe	Waddell
Walker	Wood
Young (Acadie—Bathurst)—65	

NAYS

Members

Andre	Belsher
Bernier	Bertrand
Bird	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Yellowhead)
Clark (Brandon—Souris)	Cole
Collins	Cooper
Côté	Couture
Crosbie (St. John's West)	Darling
de Cotret	Desjardins
Dobbie	Domm
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)	Harvey (Chicoutimi)
Hawkes	Hockin
Hogue	Holtmann
Horner	Horning
Hudon	Hughes
Jacques	James
Jelinek	Johnson
Joncas	Kempling
Koury	Landry
Langlois	Larrivée
Layton	Lewis
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Marin
Martin (Lincoln)	Masse
Mayer	McDermid
McLean	Monteith
Nicholson	Oberle
O'Kurley	Plourde
Reimer	Ricard
Richardson	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Shields	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Tétreault	Thacker
Thompson	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van De Walle	Vankoughnet
Vézina	Vien
Weiner	Winegard
Worthy—109	

PAIRED MEMBERS

Anderson	Beatty
Cardiff	Clancy
Gaffney	Halliday
Hicks	Kaplan
Karygiannis	Kempling
MacDonald (Dartmouth)	McCreath
McDougall (St. Paul's)	McGuire
Merrithew	Pickard

The Acting Speaker (Mr. DeBlois): I declare Motion No. 3 lost.

Hon. Harvie Andre (for the Minister of Finance) moved that the bill be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

[*English*]

The Acting Speaker (Mr. DeBlois): It being 6.24 p.m. this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.24 p.m.